STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF SPUR ENERGY PARTNERS LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. _____ ORDER NO. R-22418

APPLICATION

Spur Energy Partners LLC ("Applicant") (OGRID No. 328947) files this application with the Oil Conservation Division ("Division") requesting a one-year extension of time to commence drilling the wells authorized by Order No. R-22418 ("Order"). In support of its application, Applicant states the following.

1. The Division entered the Order on December 5, 2022.

2. The Order: pooled all uncommitted interests in the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Section 25, Township 19 South, Range 25 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the Darko 25 Federal 20H, Darko 25 Federal 21H, and Darko 25 Federal 30H wells ("Wells"); and designated Applicant as operator of the Unit and Wells.

3. The Order requires Applicant to commence drilling the Wells within one year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.

4. Applicant's ability to commence drilling the Wells has been impacted by delays in the issuance of federal drilling permits.

5. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells until December 5, 2024.

6. Good cause exists for the requested extension.

WHEREFORE, Applicant requests this application be set for hearing on November 2,

2023, and after notice and hearing, the Division extend the deadline to commence drilling the Wells under the Order until December 5, 2024.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

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