

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

**APPLICATION OF SPUR ENERGY PARTNERS
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 25727

OPPOSITION OR OTHER PARTY:

**EML 2010 Trust, GLJ 2010 Trust,
JLM 2010 Trust and
EMC Oil & Gas, Ltd.**

ATTORNEY:

**Ernest L. Padilla
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Santa Fe, NM 87504-2523
padillalawnm@outlook.com**

**Virtual Hearing Scheduled for
Tuesday, March 10, 2026
9:00am**

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PRE-HEARING STATEMENT

This pre-hearing statement is submitted by an affected party in these cases as required by Division rules.

APPEARANCES

APPLICANT

Spur Energy Partners LLC

ATTORNEY

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AFFECTED PARTY

EML 2010 Trust, GLJ 2010 Trust, JLM 2010 Trust, and EMC Oil & Gas, Ltd. (EMC)

Ernest L. Padilla
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STATEMENT OF THE CASE

EML 2010 Trust, GLJ 2010 Trust, JLM 2010 Trust, and EMC Oil & Gas, Ltd. (EMC), files this pre-hearing statement as a working interest owner in these Units whose interest has not

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been properly pooled. EMC asks the New Mexico Oil Conservation Division (“Division”) to find that Spur has not shown good faith efforts to reach a voluntary agreement with the majority working interest owner in the proposed unit, which is EMC, and because Spur has failed to engage in good faith efforts to pool EMC’s interest, this pooling application should be denied.

Whether Spur has appropriately attempted to pool the parties in the units is proper for consideration by the Division because Spur must prove good faith efforts for a voluntary agreement prior to pooling any parties that are subject to pooling orders. See New Mexico Oil Conservation Division Order No. R-13165.

Under Division precedent, an operator proposing to pool another mineral interest owner must prove that the operator has negotiated in good faith prior to pooling.

The OCD has Rules that govern pooling cases, and OCD precedent dictates the requirements for good faith negotiation prior to applying for pooling. For example, 19.15.4.12(A)(1)(vi) NMAC requires that, prior to pooling, an operator must provide “written evidence of attempts the applicant made to gain voluntary agreement including but not limited to copies of relevant correspondence[.]” By order, the OCD has established the requirements for good faith negotiation prior to pooling. Order No. R-1365 provides that at least thirty days prior to pooling, an applicant for pooling must send a well proposal with AFE to the parties it asks the Division to pool. The OCD further must evaluate at the compulsory pooling hearing, based on a full evidentiary record, whether an applicant has engaged in good faith negotiation with the parties it seeks to pool.

Spur bears the burden of proof that pooling is justified, but has not met that burden, because it has failed to diligently engage in good faith efforts to reach voluntary agreements with the majority interest owner in the Unit, and properly pool EMC therein.

PROPOSED EVIDENCE

WITNESSES

Johnny B. Johnson

EST. TIME

Self-Affirmed Statement

EXHIBITS

3 Exhibits

PROCEDURAL MATTERS

EMC respectfully requests the Division deny Spur’s requested extension of the pooling orders in these cases because Spur has failed to pool WR’s interest in the Units and has not shown good cause for extension of the pooling orders.

Respectfully submitted,

PADILLA LAW FIRM, P.A.

/s/ Ernest L. Padilla

Ernest L. Padilla

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*Attorney for EML 2010 Trust, GLJ 2010
Trust, JLM 2010 Trust, and EMC Oil &
Gas, Ltd.*

CERTIFICATE OF SERVICE

I certify that on this 3rd of March 2026, the foregoing pleading was electronically filed by email with the New Mexico Oil Conservation Division Clerk and served on all parties of record through counsel as follows:

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/s/ Ernest L. Padilla

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

**APPLICATION OF SPUR ENERGY
PARTNERS LLC FOR COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.**

Case No. 25727

SELF-AFFIRMED STATEMENT OF JOHNNY B. JOHNSON

Johnny B. Johnson, of lawful age, and self-affirming this statement, states as follows:

1. My name is Johnny B. Johnson, and I am a partner at Wilson & Johnson, L.L.P. in Houston, Texas, and the representative of EML 2010 Trust, GLJ 2010 Trust, JLM 2010 Trust, and EMC Oil & Gas, Ltd. (Long/EMC).
2. I have not previously testified before the Division as an expert witness in petroleum land matters.
3. I seek to have my credentials accepted and made a matter of record, to be recognized as an expert in petroleum land matters. Attached is my Curriculum Vitae.
4. I attended Baylor University and obtained a Bachelor's degree in 1976. Following undergraduate school, I graduated from Baylor University School of Law in 1977.
5. Following my studies, I began working as an oil and gas attorney for the Dow Chemical Company, and later in 1981 became a partner at my law firm, specializing in Oil, Gas, and Mineral Law. I gained extensive experience in this role specific to oil and gas matters, particularly with handling and negotiating oil and gas transactions.
6. Since 1986, I have been Board Certified in Oil, Gas, and Mineral Law by the Texas Board of Legal Specialization.

7. Additionally, I am a member of the Oil, Gas and Energy Resources Law Section of the State Bar of Texas, the American Association of Professional Landmen, and the Houston Association of Professional Landmen.
8. It is for these reasons I am qualified as an expert in petroleum land matters by virtue of my education and experience.
9. I am familiar with the application filed by Spur in this case, the status of the lands in the subject area, and the ownership interests of those land. I have been involved in efforts to come to agreement with Spur regarding the compulsory pooling application in this matter.
10. The working interests in the Unit to be pooled in this case are described in **Exhibit 1**. As shown on **Exhibit 1**, Long/EMC holds a working interest in the Unit.
11. Spur has not engaged in good faith efforts prior to pooling Long/EMC's interest into the Unit.
12. **Exhibit 2** is a copy of the well proposal letter sent by Spur on August 18, 2025 stating Long/EMC's options. The options were conditioned on Long/EMC delivering a 75% NRI. The well proposal indicates that Spur intends to pool Long/EMC's interest if the parties do not reach a voluntary agreement.
13. **Exhibit 3** are copies of the correspondence with Spur requesting a voluntary agreement, to which Spur did not respond in good faith. Spur never waived from its initial proposal of 75% NRI—with no purchase offers, counter-offers, or other alternative effort to join Long/EMC's interest.
14. Due to the lack of any good faith negotiations regarding this Unit, Spur and Long/EMC do not currently have a voluntary agreement for the operations of the Unit, and the payment of oil and gas proceeds to Long/EMC for its working interest in the Unit.
15. Spur bears the burden of proof that pooling is justified, but has not met that burden, because it has failed to diligently engage in good faith efforts to reach voluntary agreements with the majority interest owners in the Unit, and properly pool Long/EMC therein.
16. Long/EMC respectfully requests the Division deny Spur's requested pooling order because Spur has failed to engage in good faith negotiations prior to pooling Long/EMC's interest in the Unit.
17. In my opinion, Spur has not made a good faith effort to reach an agreement and has not sought to pool Long/EMC's working interest in this case. Additionally, in my opinion, Spur has not been diligently operating the Unit and has failed to appropriately and properly pool the interest of Long/EMC.

18. Therefore, Long/EMC asks the New Mexico Oil Conservation Division ("Division") to find that Spur has not shown good faith efforts to reach a voluntary agreement with the majority working interest owners in the proposed unit, which is Long/EMC, and because Spur has failed to engage in good faith efforts to pool Long/EMC's interest, this pooling application should be denied.
19. Long/EMC Exhibits 1-3 were either prepared by me or compiled under my direction and supervision.
20. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Further Declarant Sayeth Not.

Date: 3/2/26

Johnny B. Johnson:



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February 26, 2026

JOHNNY B. JOHNSON

Attorney at Law

Curriculum Vitae

Area of Practice:

Oil, Gas and Mineral Law
Board Certified - Oil , Gas and Mineral Law, Texas Board of Legal
Specialization (1986 - Present)

Employment History:

1978 - 1981: The Dow Chemical Company - Oil and Gas Division
(Attorney)
1981 - 1990: Labanowski, Wilson & Johnson (Partner)
1990 - 2026: Wilson & Johnson (Partner)
The firm has been awarded Martindale-Hubbell Law Directory's
AV® rating.

Education:

High School - Goldthwaite High School, Goldthwaite, Texas
College - Baylor University
(Bachelor of Business Administration, 1976)
Law School - Baylor University School of Law
(Juris Doctor, 1977) (Associate Editor of the Baylor Law
Review)

Affiliations:

State Bar of Texas (Oil, Gas and Energy Resources Law Section)
American Association of Professional Landmen
Houston Association of Professional Landmen
Baylor Law Alumni Association

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April 29, 2025

Spur Energy Partners, LLC
9655 Katy Freeway, Suite 500
Houston, Texas 77024

Attention: Mr. Drew Oldis

ORIGINAL DRILLING AND DIVISION ORDER TITLE OPINION

Re: 120 acres of land, more or less, being the
N/2SE/4 and the NE/4SW/4 of Section 17,
Township 17 South, Range 31 East,
Eddy County, New Mexico

*Limited to the Yeso Formation, being depths
from approximately 4,700 feet to 6,800 feet
& excluding all existing Wells & Wellbores*

Ladies and Gentlemen:

Pursuant to the request of Spur Energy Partners, LLC ("Spur"), this Original Drilling and Division Order Title Opinion ("Opinion") contains a determination of surface and mineral ownership as well as current oil and gas leasehold based on an examination of record title to the above-described land.



66001-16

Christopher W. Lawyer
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Licensed in Texas and New Mexico

OCD-25727-Ex.1-9

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DESCRIPTION OF CAPTIONED LAND

For the purposes of this Opinion, the Captioned Land consists of the following ownership tracts, to wit:

TRACT 1

40 acres, more or less, being the Northwest Quarter of the Southeast Quarter (NW/4SE/4) of Section 17, Township 17 South, Range 31 East Eddy County, New Mexico.

TRACT 2

80 acres, more or less, being the Northeast Quarter of the Southeast Quarter (NE/4SE/4) and the Northeast Quarter of the Southwest Quarter (NE/4SW/4) of Section 17, Township 17 South, Range 31 East Eddy County, New Mexico.

The above-described tracts are depicted on the plat attached hereto as Exhibit "C."

MATERIALS EXAMINED

A. TITLE RUNSHEETS AND ABSTRACTS

1. Limited Title Runsheet, prepared by landman James Fuller, CPL, on behalf of VOG Land, covering 120 acres of land, more or less, being the N/2SE/4 and the NE/4SW/4 of Section 17, Township 17 South, Range 31 East, Eddy County, New Mexico, limited to the Yeso Formation, being depths from approximately 4,700' to 6,800', from Inception to January 20, 2025 ("the Runsheet").
2. Abstract of Title No. 65039, prepared by Federal Abstract Company, covering Plat Book Records, Historical Index Records, Serial Register, and the Case File for NMLC 049998-A, being L1 herein, covering the Tract 1, and NMLC 057523, being L2 herein, covering Tract 2, from the inception of records through December 23, 2024, at 8:00 a.m. ("Abstract No. 65039").

B. DOCUMENTS

1. Copies of relevant instruments set forth in the preceding Runsheet.
2. Various plats depicting the Captioned Land.

Reference is made to the records, instruments and proceedings described hereinabove, herein referred to collectively as the "Materials Examined," which were used in the examination of the Captioned Land and the preparation of this Opinion. All references herein to the recording data of instruments and maps are references to the various records comprising the records of the office of the County Clerk of Eddy County, New Mexico, except when specifically stated to the contrary. The following abbreviations will be used for the purpose of designating the various records.

ABBREVIATIONS

"DR"	-	Deed Records
"DTR"	-	Deed of Trust Records
"OGL"	-	Oil and Gas Lease Records
"OPR"	-	Official Public Records
"ECR"	-	Eddy County Records
"PM"	-	Probate Minutes
"PR"	-	Patent Records
"MISC"	-	Miscellaneous Records

The following abbreviations will be used in the Division of Interest for the purpose of designating the type of interest:

"MI"	-	Mineral Interest
"NRI"	-	Net Revenue Interest
"ORI"	-	Overriding Royalty Interest
"RI"	-	Royalty Interest
"WI"	-	Working Interest

DIVISION OF INTEREST

Based solely upon an examination of the Materials Examined and subject to the Comments, Requirements, Exceptions, and Notes set out herein, record title to the minerals, oil and gas leasehold, oil and gas production, and the proceeds from the sale of oil and gas production, of the Captioned Land as to the Eddy County Records was vested as of January 20, 2025 ("Closing Dates") as set forth herein below.

RECORD SURFACE OWNERSHIP

Tracts 1-2

<u>Name</u>	<u>Interest</u>	<u>Comments</u>
United States of America 8/8 SI	1.00000000	
	1.00000000	

RECORD MINERAL OWNERSHIP

Tracts 1-2

<u>Name</u>	<u>Interest</u>	<u>NMA</u>	<u>Lease(s)</u>	<u>RI</u>	<u>Comments</u>
United States of America 100% MI	1.00000000	120.000000	L1-L2	12.50%	
	1.00000000	120.000000			

TRACT BASIS (CONT.)

Tract 1 (Cont.)

From 5,500' to the base of the Yeso Formation, being approximately 6,800' (Cont.)

<u>Name</u>	<u>WI</u>	<u>NRI</u>	<u>Lease(s)</u>	<u>Comments</u>
Vernon L. Foster, Jr. Trustee of the Vernon L. Foster, Jr. 2001 Declaration of Trust 1.666667% ORI	-----	0.01666667 (ORI)	L1	10
Patricia A. Foster, Trustee of the Thomas B. Foster Trust U/A/D 12/1/2011 1.666667% ORI	-----	0.01666667 (ORI)	L1	10
Anne Harris 0.555555% ORI	-----	0.00555555 (ORI)	L1	10
Steven Wettengel 0.555555% ORI	-----	0.00555555 (ORI)	L1	10
Phillip F. Wettengel 0.555556% ORI	-----	0.00555556 (ORI)	L1	10
	<u>1.00000000</u>	<u>1.00000000</u>		

Tract 2

80 acres of land, more or less, being the NE/4SE/4 and the NE/4SW/4 of Section 17

<u>Name</u>	<u>WI</u>	<u>NRI</u>	<u>Lease(s)</u>	<u>Comments</u>
EMC Oil & Gas, Ltd. 50% WI of (87.50% NRI less 18.4375% ORI)	0.50000000	0.34531250 (NRI)	L2	12

TRACT BASIS (CONT.)

Tract 2 (Cont.)

<u>Name</u>	<u>WI</u>	<u>NRI</u>		<u>Lease(s)</u>	<u>Comments</u>
GLJ 2010 Trust, Gretchen Long Jameson, Trustee 16.666667% WI of (87.50% NRI less 18.4375% ORI)	0.16666667	0.11510417	(NRI)	L2	12, 13
EML 2010 Trust, E. Meredith Long, Trustee 16.666667% WI of (87.50% NRI less 18.4375% ORI)	0.16666667	0.11510417	(NRI)	L2	12, 13
JLM 2010 Trust, Jenny Long Murphy, Trustee 16.666667% WI of (87.50% NRI less 18.4375% ORI)	0.16666666	0.11510416	(NRI)	L2	12, 13
United States of America 12.50% MI of 100% MI	-----	0.12500000	(RI)	L2	
Heather McFarlin Peterson a/k/a Katherine Heather McFarlin Perron 1.25% ORI	-----	0.01250000	(ORI)	L2	17
Laurie McFarlin Rollings 1.25% ORI	-----	0.01250000	(ORI)	L2	17
Vernon L. Foster, Jr. Trustee of the Vernon L. Foster, Jr. 2001 Declaration of Trust 1.666667% ORI	-----	0.01666667	(ORI)	L2	10

Requirement 11a: Spur should obtain and submit for review the Order approving the Application for Waiver of Administration of the Estate of T. F. Murchison dated May 31, 1978.

Requirement 11b: Alternatively, New Mexico ancillary probate proceedings should be conducted on the Estate of T. F. Murchison, Deceased, and a recordable assignment of the interest devised by his Estate should be executed by his Personal Representative and recorded in Eddy County.

12 – INTEREST OF THE E. M. CLOSUIT, SR. TRUST

The Materials Examined include a Transfer, Assignment or Sublease of Operating Rights in Oil and Gas Lease dated December 20, 1986 (486/362 OPR), from E. M. Closuit, Sr. and Laura M. Closuit, conveying 100% of the operating rights in L2 covering Tract 2 to E. M. Closuit, Sr. and Laura M. Closuit, Co-Trustees of the E. M. Closuit, Sr. Trust, and the Laura M. Closuit Trust.

The Materials include an Assignment of Interest in Oil and Gas Properties Eddy and Lea County, New Mexico dated December 7, 2004 (576/1122 OPR), from E. M. Closuit, Jr. and Jeanne Closuit Long, Co-Trustees of the Laura M. Closuit Trust conveying all right, title and interest in Eddy and Lea Counties, New Mexico, including L2 covering Tract 2 to E. M. Closuit, Jr., Trustee of the E. M. Closuit, Jr., 1992 Trust (1/2) and Jeanne Closuit Long, Trustee of the Jeanne Closuit Long 1992 Trust (1/2).

The Materials Examined include a Correction Assignment of Assets and Bill of Sale dated December 6, 2004 (577/989 OPR), from Ernest Closuit, Jr., and Jeanne Closuit Long, Co-Trustees of the E. M. Closuit Sr. Trust created by Trust Agreement dated April 14, 1986, assigning all right, title and interest in L2 covering Tract 2 from the surface to 4,500 feet, which appears to be above the Yeso Formation, to the Wiser Oil Company. However, this Assignment states the E. M. Closuit, Sr. Trust has terminated, and E. M. Closuit, Jr. and Jeanne Closuit Long are the sole beneficiaries of said Trust.

The Materials Examined did not include any conveyances, deeds, or assignments from the E. M. Closuit, Sr. Trust to E. M. Closuit, Jr. and Jeanne Closuit Long. However, we have credited E. M. Closuit, Jr. and Jeanne Closuit Long with all right, title and interest in L2 covering Tract 2, formerly owned by the E. M. Closuit, Sr., Trust, subject to the following Requirement.

Requirement 12: Spur should confirm the termination of the E. M. Closuit, Sr. Trust created under Trust Agreement dated April 14, 1986. If it is determined the Trust has terminated, obtain and file of record in Eddy County, New Mexico an assignment of all right, title and interest in L2 covering Tract 2 insofar as to the Yeso Formation, to E. M. Closuit, Jr. and Jeanne Closuit Long, or their successors in interest.

13 – INTEREST OF THE JEANNE CLOSUIT LONG 1992 TRUST

The Materials include an Assignment of Interest in Oil and Gas Properties Eddy and Lea County, New Mexico dated December 7, 2004 (576/1122 OPR), from E. M. Closuit, Jr. and Jeanne Closuit Long, Co-Trustees of the Laura M. Closuit Trust conveying all right, title and interest in Eddy and Lea Counties, New Mexico, including L2 covering Tract 2 to E. M. Closuit, Jr., Trustee of the E. M. Closuit, Jr., 1992 Trust (1/2) and Jeanne Closuit Long, Trustee of the Jeanne Closuit Long 1992 Trust (1/2).

By Conveyance, Assignment and Bill of Sale dated effective September 1, 2010 (842/616 OPR), Jeanne Closuit Long, individually, and as Trustee of the Jeanne Closuit Long Trust, and a beneficiary, to the extent of one-half (1/2) of the E. M. Closuit, Sr. Trust and the Laura M. Closuit Trust conveyed all right, title and interest in L2 covering Tract 2 to JCL Family, LP.

We have assumed that Jeanne Long Closuit is the sole beneficiary of the Jeanne Closuit Long 1992 Trust, Jeanne Closuit Long, Trustee; however, the Materials Examined did not include any conveyances, deeds, or assignments from the Jeanne Closuit Long 1992 Trust to Jeanne Closuit Long, individually. We have credited JCL Family, LP, and its successors in interest, with all right, title and interest of the Jeanne Closuit Long 1992 Trust, subject to the following Requirement.

Requirement 13a:

Spur should confirm the Jeanne Closuit Long 1992 Trust, Jeanne Closuit Long, Trustee is no longer in existence and that Jeanne Closuit Long was the sole beneficiary of said Trust. If it is determined that said Trust has terminated, obtain and file of record in Eddy County an assignment from the Jeanne Closuit Long 1992 Trust, Jeanne Closuit Long, Trustee conveying all right, title and interest in L2 covering Tract 2 as to the Yeso Formation.

Requirement 13b

Spur should confirm the Jeanne Closuit Long Trust named in the Conveyance, Assignment and Bill of Sale (842/616 OPR), is one and the same as the Jeanne Closuit Long 1992 Trust named in the Assignment of Interest in Oil and Gas Properties Eddy and Lea County, New Mexico (576/1122 OPR).

14 – ASSIGNMENT OF JCL FAMILY LP – TRACT 2

By Conveyance, Assignment and Bill of Sale dated effective September 1, 2010 (842/616 OPR), Jeanne Closuit Long, individually, and as Trustee of the Jeanne Closuit Long Trust, and a beneficiary, to the extent of one-half (1/2) of the E. M. Closuit, Sr. Trust and the Laura M. Closuit Trust conveyed all right, title and interest in L2 covering Tract 2 to JCL Family, LP. At this point in time, JCL Family, LP, would own an undivided one-half (1/2) interest in L2 covering Tract 2 as to the Yeso Formation.

By Mineral Warranty Deed dated effective December 31, 2023 (1177/1226 OPR), JCL Family, LP conveyed to Gretchen Long Jameson, Trustee of the GLJ 2010 Trust (33%), E. Meredith Long, Trustee of the EML 2010 Trust (33%), and Jenny Long Murphy, Trustee of the

JLM 2010 Trust (33%), a ninety-nine percent (99%) undivided interest in Grantor's interest in the mineral estates described in Assignment (842/616).

By Mineral Warranty Deed dated effective December 31, 2023 (1177/1227 OPR), JCL Family, LP and JCL Family GP, LLC conveyed to Gretchen Long Jameson, Trustee of the GLJ 2010 Trust (33%), E. Meredith Long, Trustee of the EML 2010 Trust (33%), and Jenny Long Murphy, Trustee of the JLM 2010 Trust (33%), a one percent (1%) undivided interest in Grantor's interest in the mineral estates described in Assignment (842/616).

We have assumed it was the intent of JCL Family, LP in the above referenced Mineral Warranty Deeds to convey 100% of it right, title and interest in and to an undivided one-half (1/2) interest in L2 covering Tract 2 to the GLJ 2010 Trust (33%), the EML 2010 Trust (33%), and the JLM 2010 Trust (33%) as reflected in the Ownership Tables of this Title Opinion.

Requirement 14:
attention of Spur.

Advisory only and expressly brought to the

15 – SCRIVENER'S ERROR – TRACT 2

The Materials Examined include a Correction Assignment of Oil, Gas and Mineral Lease dated effective October 1, 2001 (486/364 OPR), from Fred Thomas Closuit and his wife Julie Closuit, to the Ernest Closuit, Sr. Trust a/k/a the E. M. Closuit, Sr. Trust, conveying all right, title and interest in L2 covering the NE/4SW/4 and the NE/4SW/4 of Section 17.

It appears that reference to the NE/4SW/4 and the NE/4SW/4 of Section 17 was a scrivener's error and should have been NE/4SE/4 and the NE/4SW/4 of Section 17.

Requirement 15:
attention of Spur.

Advisory only and expressly brought to the

16 – SCRIVENER'S ERROR – TRACT 2

The Materials Examined include an unrecorded Assignment of Overriding Royalty Interests and Other Interests Payable Out of Production dated June 20, 1986, effective December 1, 1985, filed with the BLM on June 30, 1986, from Sun Exploration and Production Company to Sun Operating Limited Partnership, conveying all right, title and interest in and to the overriding royalty interests described on Exhibit "A", including L2 covering Tract 2, which indicated an overriding royalty of 12.5% owned by the Assignor covering and affecting L2.

At the time of this Assignment, Sun Exploration and Production Company only owned an undivided one-eighth of seven-eighths (1/8 of 7/8) or 10.9375% overriding royalty interest covering and affecting L2.

EXHIBIT "B"

ASSIGNMENTS OF LEASEHOLD INTERESTS AND RELEVANT OVERRIDING ROYALTY INTERESTS

Assignment No. 1

Document:	Assignment
Date:	August 20, 1937
Filed:	Unrecorded
Assignor:	V. L. Foster
Assignee:	J. R. McFarlin
Interest Assigned:	An undivided one-third (1/3) of Assignor's right, title and interest in Federal Lease Serial No. 049998 covering Tracts 1 and 2, among other lands.
Reservation:	None.
Note:	Approved by the BLM on October 11, 1937

Assignment No. 2

Document:	Assignment of Oil and Gas Lease
Date:	May 22, 1939
Filed:	March 5, 1940, in Book 14, Page 247 OGR
Assignor:	V. L. Foster and J. R. McFarlin
Assignee:	Superior Oil Corporation
Interest Assigned:	All of Assignor's right, title, and interest in and to LC-049998 covering Tracts 1 and 2
Reservation:	Overriding royalty interest of 7 1/2% of production
Note:	Approved by the BLM on December 12, 1939

Assignment No. 3

Document:	Assignment of Oil and Gas Lease
Date:	July 21, 1939
Filed:	December 30, 2002, in Book 486, Page 335 OPR
Assignor:	Superior Oil Corporation
Assignee:	Murchison & Closuit, Inc.
Interest Assigned:	All of Assignor's right, title, and interest in and to LC-049998 (now LC-057523) covering Tracts 1 and 2
Reservation:	Overriding royalty interest of 1/8 of 7/8 of production
Note:	Approved by the BLM on December 12, 1939

Assignment No. 4

Document: Assignment of Oil and Gas Lease
Date: January 10, 1940
Filed: December 30, 2002, in Book 486, Page 341 OPR
Assignor: Murchison & Closuit, Inc.
Assignee: E. M. Closuit and T. F. Murchison
Interest Assigned: All of Assignor's right, title, and interest in and to LC-057523 covering Tracts 1 and 2
Reservation: None
Note: Approved by the BLM on May 16, 1940

Assignment No. 5

Document: Assignment of Oil and Gas Lease
Date: May 21, 1942
Filed: April 1, 1943, in Book 21, Page 200 OPR
Assignor: E. M. Closuit and T. F. Murchison
Assignee: Superior Oil Corporation
Interest Assigned: All of Assignor's right, title, and interest in and to LC-057523 (now LC-049998 (a)) [*being L1 herein*] covering Tract 1
Notes: It being the intent that the estate hereby conveyed shall merge with the overriding royalty interest reserved in Assignment No. 3
Approved by the BLM on October 19, 1942

Assignment No. 6

Document: Assignment of Oil and Gas Lease
Date: October 15, 1943
Filed: August 2, 1945, in Book 25, Page 271 OGR
Assignor: Superior Oil Corporation
Assignee: Sunray Oil Corporation
Interest Assigned: All of Assignor's right, title, and interest in and to L1 covering Tract 1
Notes: Approved by the BLM on January 2, 1945

Assignment No. 7

Document: Assignment of Royalty Interest
Date: October 15, 1943
Filed: Unrecorded
Assignor: Superior Oil Corporation
Assignee: Sunray Oil Corporation

Assignment No. 18

Document:	Assignment Affecting Record Title to Oil and Gas Lease
Date:	June 20, 1986
Filed:	Unrecorded
Assignor:	Sun Exploration and Production Company
Assignee:	Sun Operating Limited Partnership
Interest Assigned:	100% right, title and interest in L1 covering Tract 1
Reservation:	None
Note:	Approved by the BLM on July 1, 1986

Assignment No. 19

Document:	Deed of Distribution
Date:	March 7, 1986
Filed:	April 15, 1986, in Book 266, Page 56 Misc.
Assignor:	Herbert H. Hahn, Jr., Independent Executor of the Estate of Norine R. Murchison, deceased
Assignee:	Trinity University
Interest Assigned:	All right, title and interest in L2 covering Tract 2
Reservation:	None
Note:	Approved by the BLM on January 1, 1987

Assignment No. 20

Document:	Assignment Affecting Record Title to Oil and Gas Lease
Date:	June 12, 1986
Filed:	December 30, 2002, in Book 486, Page 360 OPR
Assignor:	E. M. Closuit, Sr. and Larua M. Closuit
Assignee:	E. M. Closuit, Sr. and Laura M. Closuit, Co-Trustees of the E. M. Closuit, Sr., & the Laura M. Closuit Trust
Interest Assigned:	100% right, title and interest in L2 covering Tract 2
Reservation:	None
Note:	Approved by the BLM on January 1, 1987

Assignment No. 21

Document:	Transfer, Assignment, or Sublease of Operating Rights in Oil and Gas Lease
Date:	December 20, 1986
Filed:	December 30, 2002, in Book 486, Page 362 OPR
Assignor:	E. M. Closuit, Sr. and Larua M. Closuit
Assignee:	E. M. Closuit, Sr. and Laura M. Closuit, Co-Trustees of the E. M.

Interest Assigned:	Closuit, Sr., Trust & the Laura M. Closuit Trust
Reservation:	100% right, title and interest in L2 covering Tract 2
Note:	None
	Approved by the BLM on January 1, 1987

Assignment No. 22

Document:	Affidavit of Marital History and Heirship
Date:	December 31, 1987
Filed:	January 5, 1988, in Book 12, Page 309 OPR
Affiant:	Mary Wood Foster
Assignor:	Estates of V. L. Foster and Doris M. Foster, both deceased
Assignee:	Sue F. Wettengel Thomas B. Foster Vernon L. Foster, Jr.
Interest Assigned:	All right, title and interest in Eddy County, New Mexico
Reservation:	None
Note:	Evidence of Heirship Recognized by the BLM on February 3, 1981

Assignment No. 23

Document:	Assignment of Overriding Royalty Interests and Other Interests Payable Out of Production
Date:	Effective December 1, 1985
Filed:	Unrecorded
Assignor:	Sun Exploration and Production Company
Assignee:	Sun Operating Limited Partnership
Interest Assigned:	All right, title and interest L2 covering Tract 2
Reservation:	None
Note:	Filed with the BLM on June 30, 1986

Assignment No. 24

Document:	Assignment and Bill of Sale
Date:	February 27, 1987
Filed:	March 4, 1987, in Book 275, Page 242 Misc.
Assignor:	Sun Operating Limited Partnership
Assignee:	Marbob Energy Corporation
Interest Assigned:	100% right, title and interest in L1 covering Tract 1, limited to depths below 2,200 feet
Reservation:	None
Note:	Approved by the BLM on April 1, 1987

Assignee:	Headington Royalty, Inc.
Interest Assigned:	All right, title and interest in L1 covering Tract 1
Reservation:	None
Note:	Subject to Sale and Purchase Agreement dated December 20, 1993, by and between Assignor and Headington Oil Company

Assignment No. 29

Document:	Overriding Royalty Assignment
Date:	May 14, 2001
Filed:	Unrecorded
Assignor:	Vernon L. Foster, Jr.
Assignee:	Vernon L. Foster, Jr., Trustee of the Vernon L Foster, Jr., 2001 Declaration of Trust
Interest Assigned:	All right, title and interest in L1 covering Tract 1
Reservation:	None
Note:	Filed with the BLM

Assignment No. 30

Document:	Overriding Royalty Assignment
Date:	May 14, 2001
Filed:	Unrecorded
Assignor:	Vernon L. Foster, Jr.
Assignee:	Vernon L. Foster, Jr., Trustee of the Vernon L Foster, Jr., 2001 Declaration of Trust
Interest Assigned:	All right, title and interest in L1 covering Tract 1
Reservation:	None
Note:	Filed with the BLM

Assignment No. 31

Document:	Assignment of Oil, Gas and Mineral Leases
Date:	December 14, 2001, effective October 1, 2001
Filed:	April 8, 2002, in Book 453, Page 561 OPR
Assignor:	Fred Thomas Closuit
Assignee:	Ernest Closuit, Sr. Trust
Interest Assigned:	All right, title and interest in L2 covering Tract 2
Reservation:	None

Assignment No. 32

Document:	Correction Assignment of Oil, Gas and Mineral Leases
Date:	December 5, 2002, effective October 1, 2001
Filed:	December 30, 2002, in Book 486, Page 364 OPR
Assignor:	Fred Thomas Closuit and Julie Closuit, his wife
Assignee:	Ernest Closuit, Sr. Trust
Interest Assigned:	All right, title and interest in L2 covering Tract 2
Reservation:	None

Assignment No. 33

Document:	Overriding Royalty Assignment
Date:	June 25, 2003
Filed:	September 17, 2003, in Book 522, Page 1209 OPR
Assignor:	Vernon L. Foster, Jr.
Assignee:	Vernon L. Foster, Jr., Trustee of the Vernon L Foster, Jr., 2001 Declaration of Trust
Interest Assigned:	All right, title and interest in L2 covering Tract 2
Reservation:	None
Note:	Filed with the BLM

Assignment No. 34

Document:	Assignment of Record Title Interest in a Lease for Oil and Gas or Geothermal Resources
Date:	January 29, 2003
Filed:	Unrecorded
Assignor:	E. M. Closuit, Jr., Fred Thomas Closuit, Jeanne Closuit Long, and E. M. Closuit, Jr. and Jeanne Closuit Long, Co-Trustees of the E. M. Closuit Trust
Assignee:	The Wiser Oil Company
Interest Assigned:	100% right, title and interest in the record title interest in L2 covering Tract 2
Reservation:	None
Note:	Approved by the BLM on March 1, 2003

Assignment No. 35

Document:	Assignment of Interest in Oil and Gas and Mineral Properties
Date:	December 7, 2004
Filed:	December 13, 2004, in Book 576, Page 1122 OPR
Assignor:	E. M. Closuit, Jr. and Jeanne Closuit Long, Co-Trustees of the E.

Assignee:	Laura M. Closuit Trust E. M. Closuit, Jr. 1992 Trust (1/2) Jeanne Closuit Long 1992 Trust (1/2)
Interest Assigned:	All right, title and interest in L2 covering Tract 2
Reservation:	None

Assignment No. 36

Document:	Certificate of Merger of The Wiser Company and Forest Oil Corporation into Forest Oil Corporation
Date:	November 23, 2005, effective November 30, 2005
Filed:	June 25, 2007, in Book 698, Page 1171 OPR
Assignor:	The Wiser Company
Assignee:	Forest Oil Corporation
Interest Assigned:	N/A
Reservation:	None
Note:	This merger relates to the ownership of Record Title interest in L2

Assignment No. 37

Document:	Assignment
Date:	December 21, 2009, effective November 1, 2009
Filed:	January 5, 2010, in Book 801, Page 94 OPR
Assignor:	Forest Oil Corporation
Assignee:	Sandridge Exploration and Production, LLC
Interest Assigned:	All right, title and interest in L2 covering Tract 2
Reservation:	None
Note:	Approved by the BLM on March 1, 2010, as to Record Title interest

Assignment No. 38

Document:	Conveyance, Assignment and Bill of Sale
Date:	September 10, 2010, effective September 1, 2010
Filed:	January 31, 2011, in Book 842, Page 616 OPR
Assignor:	Jeanne Closuit Long, individually and as Trustee of the Jeanne Closuit Long Trust, and as beneficiary, to the extent of one-half (1/2) of the E. M. Closuit, Sr. Trust and the Laura M. Closuit Trust
Assignee:	JCL Family, LP
Interest Assigned:	All right, title and interest in L2 covering Tract 2
Reservation:	None

Assignment No. 54

Document:	Assignment, Bill of Sale and Conveyance
Date:	March 3, 2022
Filed:	March 28, 2022, in Book 1158, Page 759 OPR
Assignor:	Pogo Resources, LLC
Assignee:	LH Operating, LLC
Interest Assigned:	All right, title and interest in L2 covering Tract 2
Reservation:	None
Note:	Approved by the BLM on May 1, 2022, as to Record Title interest

Assignment No. 55

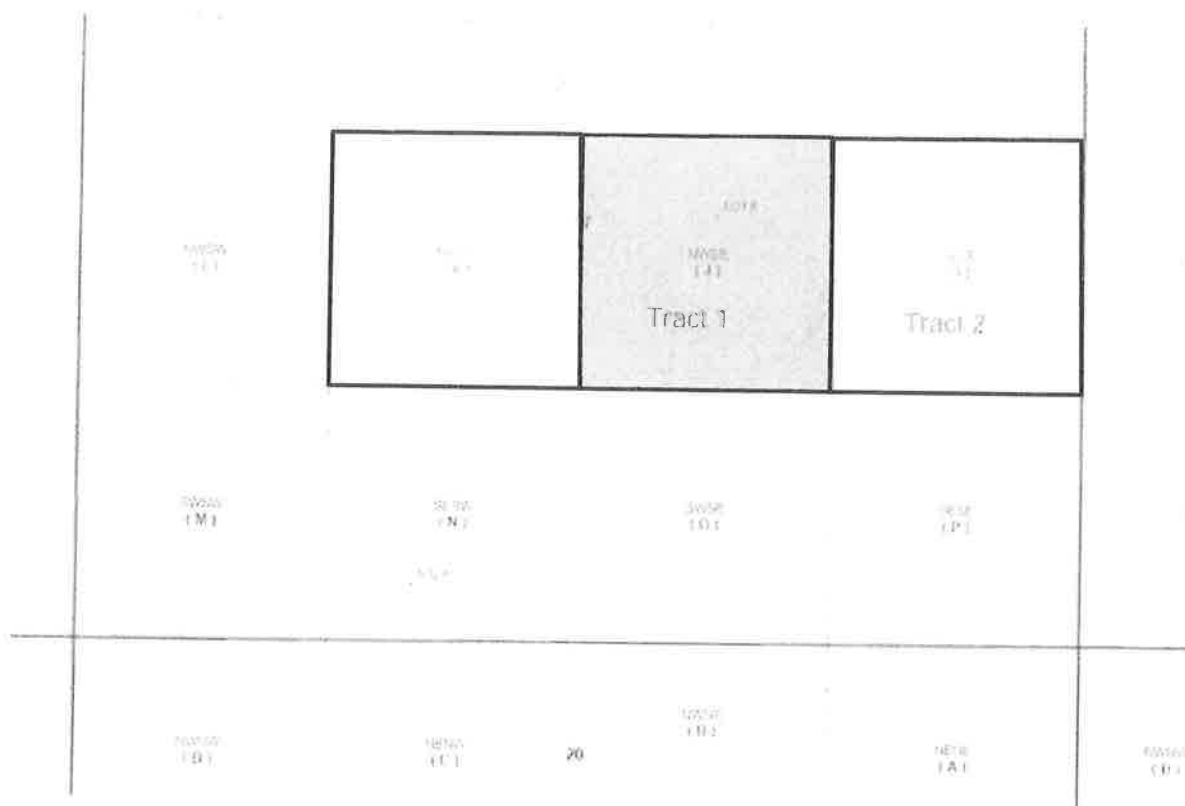
Document:	Mineral Warranty Deed
Date:	December 30, 2023
Filed:	January 2, 2024, in Book 1177, Page 1226 OPR
Assignor:	JCL Family, LP
Assignee:	Gretchen Long Jameson, Trustee of the GLJ 2010 Trust (33%) E. Meredith Long, Trustee of the EML 2010 Trust (33%) Jenny Long Murphy, Trustee of the JLM 2010 Trust (33%)
Interest Assigned:	An undivided 99% of Grantor's right, title and interest in the mineral estate described in Assignment (842/622 OPR)
Reservation:	None

Assignment No. 56

Document:	Mineral Warranty Deed
Date:	December 30, 2023
Filed:	January 2, 2024, in Book 1177, Page 1227 OPR
Assignor:	JCL Family, LP and JCL Family GP, LLC
Assignee:	Gretchen Long Jameson, Trustee of the GLJ 2010 Trust (33.33334%) E. Meredith Long, Trustee of the EML 2010 Trust (33.33333%) Jenny Long Murphy, Trustee of the JLM 2010 Trust (33.33333%)
Interest Assigned:	An undivided 1% of Grantor's right, title and interest in the mineral estate described in Assignment (842/622 OPR)
Reservation:	None

EXHIBIT "C"

PLAT OF THE CAPTIONED LAND





August 18, 2025

JLM 2010 Trust
3262 Westheimer Road, #522
Houston, Texas 77098

RE: Well Proposal
Garrison 17 Fed Com 20H, 70H, and 90H
N2SE & NESW Section 17, T17S-R31E
Eddy County, New Mexico

Dear Working Interest Owner:

Spur Energy Partners LLC ("SPUR"), an affiliate of SEP Permian LLC ("SEP"), hereby proposes to drill and complete the **Garrison 17 Fed Com 20H, 70H, and 90H** wells to the approximate total vertical depths as referenced below as horizontal Yeso wells (the "Subject Wells") at the following proposed locations (subject to change upon staking and survey).

Garrison 17 Fed 20H Well – Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location – 1,830' FSL & 900' FWL, Section 16, T17S-R31E
- Proposed Bottom Hole Location – 2,115' FSL & 1,370' FWL, Section 17, T17S-R31E
- TVD: 4,985'

Garrison 17 Fed 70H Well – Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location – 1,850' FSL & 900' FWL, Section 16, T17S-R31E
- Proposed Bottom Hole Location – 2,500' FSL & 1,370' FWL, Section 17, T17S-R31E
- TVD: 5,575'

Garrison 17 Fed 90H Well – Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location – 1,810' FSL & 900' FWL, Section 16, T17S-R31E
- Proposed Bottom Hole Location – 1,745' FSL & 1,370' FWL, Section 17, T17S-R31E
- TVD: 5,925'

SPUR proposes to form a Drilling Spacing Unit ("DSU") covering the N2SE and NESW of Section 17, T17S-R31E, Eddy County, New Mexico, containing 120 acres of land, more or less, from the top of the Yeso formation to the base of the Yeso formation. Portions of these lands may be governed by existing Joint Operating Agreements ("JOAs") which also cover the Yeso formation, and which may govern operations for vertical wells. For the mutually exclusive development of horizontal wells, and any concept wells (i.e. micro seismic wells, pilot hole wells) within the DSU, SPUR proposes the enclosed new joint operating agreement dated October 31, 2025, ("NJOA") to govern proposals and operations within the DSU. The NJOA shall supersede any existing operations under any JOAs, expressly limited however, to horizontal well development, concept wells and operations within the DSU. The NJOA has the following general provisions:

- Effective Date of October 31, 2025
- Contract Area consisting of the N2SE and NESW of Section 17, T17S-R31E, Eddy County, New Mexico
- Limited in depth from the top of the Yeso formation to the base of the Yeso formation
- 100% / 300% / 300% non-consenting penalty
- \$8,000 / \$800 drilling and producing monthly overhead rate
- Spur Energy Partners LLC named as Operator

The enclosed AFEs reflect the total estimated drilling and completion costs for each well. The AFEs are an estimate only and those parties electing to participate in the Subject Wells shall be responsible for their share of actual well costs, whether more or less than those shown on the enclosed AFEs.

SPUR respectfully requests that you select one of the following three options with regard to your interest in the proposed wells:

Option 1: Participate in the drilling and completion of the proposed well and agree to enter into the NJOA with the terms specified above.

Option 2: Not participate in the proposed well (an election of "Non-Consent").

Option 3 – Term Assignment Option: Assign your leasehold working interest in the N2SE and NESW of Section 17, T17S-R31E, exclusive of existing wellbores, to SPUR through a term assignment with a primary term of three (3) years and as long thereafter as production is obtained in paying quantities, for a bonus consideration of \$750 per net mineral acre, with you delivering no less than a 75% leasehold net revenue interest (limited to the Yeso formation).

Option 4 – Assignment Option: Assign your leasehold working interest in the N2SE and NESW of Section 17, T17S-R31E, exclusive of existing wellbores, to SEP for a bonus consideration of \$1,500 per net mineral acre, delivering no less than a 75% leasehold net revenue interest (all rights owned).

Should you elect Option 1 or Option 2, your election should be returned to SPUR along with an executed copy of each enclosed AFE and an executed copy of the NJOA (including Exhibit "H"). In the event you elect to assign your leasehold interest under the terms outlined above in the Option 3 – Term Assignment Option, or Option 4 – Assignment Option, please so indicate by signing and returning the enclosed Assignment Election page, and SPUR shall provide you with an assignment form for your review and execution. (In the event you do not own all depths within the Yeso formation, the above-stated prices per net mineral acre for Options 3 and 4 shall be re-determined by SPUR.)

SPUR looks forward to working with you on this matter. However, if an agreement cannot be reached within 30 days of the receipt date of this proposal, please be advised SPUR may apply to the New Mexico Oil Conservation Division for Compulsory Pooling of any uncommitted interest owners into a spacing unit for the proposed wells.

Please indicate your elections as to each of the Subject Wells in the spaces provided below and execute and return a copy of this letter (together with a signed copy of each AFE for any well(s) you elect to participate in) to the undersigned within 30 days of receipt of this proposal. Should you have any questions regarding this proposal, please contact Murphy Lauck at 832-982-1087 or mulauck@spurenergy.com or the undersigned via email at doldis@spurenergy.com. Thank you very much for your assistance and cooperation.

Sincerely,



Drew Oldis
Landman

Enclosures

AFEs

NJOA dated October 31, 2025



Garrison 17 Fed Com 20H Well Election

Owner: JLM 2010 Trust

Working Interest: 11.1111%

_____ **Option 1)** *The undersigned elects to participate in the drilling and completion of the Garrison 17 Fed Com 20H well and agrees to the formation of the DSU and to the terms of the NJOA as detailed in this proposal, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the DSU.*

_____ **Option 2)** *The undersigned elects not to participate in the drilling and completion of the Garrison 17 Fed Com 20H well.*

Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide SPUR with a copy of your Certificate of Insurance.

Well Insurance:

_____ *The undersigned requests Well Insurance coverage provided by Spur Energy Partners.*

_____ *The undersigned elects to obtain individual Well Insurance coverage.*

Agreed to and Accepted this _____ day of _____, 2025.

Company/Individual: JLM 2010 Trust

By: _____

Name: _____

Title: _____



Garrison 17 Fed Com 70H Well Election

Owner: JLM 2010 Trust

Working Interest: 11.1111%

_____ *Option 1) The undersigned elects to participate in the drilling and completion of the Garrison 17 Fed Com 70H well and agrees to the formation of the DSU and to the terms of the NJOA as detailed in this proposal, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the DSU.*

_____ *Option 2) The undersigned elects not to participate in the drilling and completion of the Garrison 17 Fed Com 70H well.*

Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide SPUR with a copy of your Certificate of Insurance.

Well Insurance:

_____ *The undersigned requests Well Insurance coverage provided by Spur Energy Partners.*

_____ *The undersigned elects to obtain individual Well Insurance coverage.*

Agreed to and Accepted this _____ day of _____, 2025.

Company/Individual: **JLM 2010 Trust**

By: _____

Name: _____

Title: _____



Garrison 17 Fed Com 90H Well Election

Owner: JLM 2010 Trust

Working Interest: 11.1111%

_____ **Option 1)** *The undersigned elects to participate in the drilling and completion of the Garrison 17 Fed Com 90H well and agrees to the formation of the DSU and to the terms of the NJOA as detailed in this proposal, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the DSU.*

_____ **Option 2)** *The undersigned elects not to participate in the drilling and completion of the Garrison 17 Fed Com 90H well.*

Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide SPUR with a copy of your Certificate of Insurance.

Well Insurance:

_____ *The undersigned requests Well Insurance coverage provided by Spur Energy Partners.*

_____ *The undersigned elects to obtain individual Well Insurance coverage.*

Agreed to and Accepted this _____ day of _____, 2025.

Company/Individual: JLM 2010 Trust

By: _____

Name: _____

Title: _____



Option 3 - Term Assignment Option

The undersigned hereby elects to assign their leasehold working interest in the N2SE and NESW of Section 17, T17S-R31E, exclusive of existing wellbores, to SPUR through a term assignment with a primary term of three (3) years and as long thereafter as production is obtained in paying quantities, and a bonus consideration of \$750 per net mineral acre, delivering a 75% leasehold net revenue interest (limited to 3,900' below the surface to the base of the Blinbry formation).

Option 4 - Assignment Option

The undersigned hereby elects to assign their leasehold working interest in the N2SE and NESW of Section 17, T17S-R31E, exclusive of existing wellbores, to SPUR for a bonus consideration of \$1,500 per net mineral acre, delivering a 75% leasehold net revenue interest (all rights owned).

Agreed to and Accepted this _____ day of _____, 2025.

Company/Individual: JLM 2010 Trust

By: _____

Name: _____

Title: _____



Authority for Expenditure
Drill, Complete, & Equip



Operator	Spur Energy Partners LLC	AFE #	
Well Name	Garrison 2011	SEP Permian LLC WI	
Location		Well Cost Center:	
Project Description			

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2050-1000	LOCATION - OPS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1001	LOCATION DAMAGES ROW-LAND	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-1002	TITLE WORK/LANDMAN SERVICES - LAND	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-1003	DAMAGES ROW - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1005	SURVEY - LAND	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-1008	ENVIRONMENTAL ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1009	DRILLING PERMITS	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1301	DRILLING RENTALS - SURFACE	\$ 63,000	\$ -	\$ -	\$ -	\$ 63,000	\$ -
2050-1302	DRILLING RENTALS - SUBSURFACE	\$ 14,000	\$ -	\$ -	\$ -	\$ 14,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD FLUID	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 22,250	\$ -	\$ -	\$ -	\$ 22,250	\$ -
2050-1800	GROUND TRANSPORT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 160,500	\$ -	\$ -	\$ -	\$ 160,500	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 150,500	\$ -	\$ -	\$ -	\$ 150,500	\$ -
2050-2005	DRILLING/DAMAGED LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2301	FLUID & CUTTINGS DISPOSAL	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-2401	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ESSH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	OVERHEAD	\$ 32,000	\$ -	\$ -	\$ -	\$ 32,000	\$ -
2050-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3400	DESIGN & ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3800	COMPANY LABOR	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-3800	NON OPERATED CHARGES - IDC	\$ 71,500	\$ -	\$ -	\$ -	\$ 71,500	\$ -
2050-3800	FUEL & LUBE	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2050-4000	SURFACE & INTERMEDIATE CEMENT	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ -
2050-4001	CASINO CREWS AND LAYDOWN SERVICES	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-4002	SURFACE AND INTERMEDIATE SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4003	PROD CEMENT AND SERVICE	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-4101	CONES, DATS, AND ANALYSIS	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2050-8000	MUD LOGGER	\$ 47,500	\$ -	\$ -	\$ -	\$ 47,500	\$ -
2050-8001	MOB-CEMOB RG	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8003	VACUUM TRUCKING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8007	CONTRACT LABOR-SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8008	MISC IDC/CONTINGENCY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE DRILLING SUBTOTAL		\$ 1,069,500	\$ -	\$ -	\$ -	\$ 1,069,500	\$ -

TANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2051-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5100	SURFACE CASINO	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ -
2051-5200	INTERMEDIATE CASINO	\$ 66,500	\$ -	\$ -	\$ -	\$ 66,500	\$ -
2051-5300	PRODUCTION LINER CASINO	\$ 295,750	\$ -	\$ -	\$ -	\$ 295,750	\$ -
2051-5400	CONDUCTOR PIPE	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
2051-5500	WELLHEAD	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 32,000	\$ -	\$ -	\$ -	\$ 32,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TANGIBLE DRILLING SUBTOTAL		\$ 440,250	\$ -	\$ -	\$ -	\$ 440,250	\$ -
DRILLING TOTAL		\$ 1,509,750	\$ -	\$ -	\$ -	\$ 1,509,750	\$ -

INTANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2055-1000	LOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1300	EQUIP RENT	\$ 42,000	\$ -	\$ -	\$ -	\$ 42,000	\$ -
2055-1301	RENTALS - SURFACE IRON	\$ 51,000	\$ -	\$ -	\$ -	\$ 51,000	\$ -
2055-1302	RENTALS - SUBSURFACE	\$ 44,000	\$ -	\$ -	\$ -	\$ 44,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	COMPLETION FLUID	\$ 625,000	\$ -	\$ -	\$ -	\$ 625,000	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2055-1800	GROUND TRANSPORT	\$ 8,500	\$ -	\$ -	\$ -	\$ 8,500	\$ -
2055-2000	DRILLING/DAMAGED LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 123,000	\$ -	\$ -	\$ -	\$ 123,000	\$ -
2055-2300	FRAC PLUGS	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2055-2400	WELL PREP	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500	\$ -
2055-2401	FRAC FLUID SW DISPOSAL	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2055-2402	FRAC TANK RENTALS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-2403	FLOWBACK	\$ 54,000	\$ -	\$ -	\$ -	\$ 54,000	\$ -
2055-2600	ESSH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2800	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 607,500	\$ -	\$ -	\$ -	\$ 607,500	\$ -
2055-3400	PROPPANT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2055-3750	DAMAGES ROW	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-3900	NON OPERATED CHARGES - ICC	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-3900	FUEL & LUBE	\$	158,000	\$	-	\$	-	\$	-	\$	-	\$	158,000
2055-4000	CEMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-4001	CATING CREWS AND LAYDOWN SERVICES	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-5001	ROAD WATERING	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-6001	COMPLETION WORKOVER RIG	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-6002	KILL TRUCK	\$	91,000	\$	-	\$	-	\$	-	\$	-	\$	91,000
2055-8003	COIL TUBING SHUMLING HITRO SVC	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8004	CONTRACT LABOR SERVICES	\$	79,500	\$	-	\$	-	\$	-	\$	-	\$	79,500
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8006	CONTRACT LABOR - ELECTRICAL AUTOMATION	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8007	CONTRACT LABOR - WELL LEVEL	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8008	CONTRACT LABOR - FRAC	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2054-1402	RENTALS-SURFACE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2054-1600	KILL FLUID AND TRUCK	\$	13,000	\$	-	\$	-	\$	-	\$	-	\$	13,000
2054-1700	CONSULTANT	\$	5,000	\$	-	\$	-	\$	-	\$	-	\$	5,000
2054-2200	WORKOVER RIG	\$	6,000	\$	-	\$	-	\$	-	\$	-	\$	6,000
2054-4510	CONTRACT LABOR - ARTIFICIAL LIFT	\$	15,000	\$	-	\$	-	\$	-	\$	-	\$	15,000
2054-4511	CONTRACT LABOR - FLOWLINE	\$	20,000	\$	-	\$	-	\$	-	\$	-	\$	20,000
	CONTRACT LABOR - FLOWLINE	\$	40,000	\$	-	\$	-	\$	-	\$	-	\$	40,000
	INTANGIBLE COMPLETION SUBTOTAL	\$	2,160,000	\$	-	\$	-	\$	-	\$	-	\$	2,160,000

TANGIBLE COMPLETION	DESCRIPTION	Original \$/Bbls	Net	Supplement \$/Bbls	Net	Total \$/Bbls	Net
2065-2500	SUPPLIES & SMALL TOOLS	\$	-	\$	-	\$	-
2065-2700	COMMUNICATION	\$	-	\$	-	\$	-
2065-3000	BITS	\$	4,000	\$	-	\$	4,000
2065-3800	CONTINGENCES	\$	-	\$	-	\$	-
2065-4100	NON OPERATED CHARGES - ICC	\$	-	\$	-	\$	-
2065-5001	WATER SUPPLY WELL	\$	-	\$	-	\$	-
2065-5002	OVERHEAD POWER	\$	-	\$	-	\$	-
2065-5003	PARTS & SUPPLIES - ARTIFICIAL LIFT	\$	-	\$	-	\$	-
2065-5003	PARTS & SUPPLIES - ELECTRICAL AUTOMATION	\$	-	\$	-	\$	-
2065-6001	PARTS & SUPPLIES - WELL LEVEL	\$	-	\$	-	\$	-
2065-5100	TUBING	\$	-	\$	-	\$	-
2065-5200	TUBING HEAD XMAS TREE	\$	-	\$	-	\$	-
2065-5300	SUBSURFACE EQUIP	\$	13,500	\$	-	\$	13,500
2065-5400	PACKER AND SUBSURFACE EQUIPMENT	\$	-	\$	-	\$	-
2065-5500	SUBSURFACE PUMP RODS AND ACCES	\$	-	\$	-	\$	-
2065-5600	PUMPING & LIFTING EQUIP	\$	-	\$	-	\$	-
2065-5600	HEALTH, SAFETY, AND ENVIRONMENTAL	\$	-	\$	-	\$	-
2065-5901	LINER HANGER CASINO ACCESSORY	\$	-	\$	-	\$	-
2065-5902	PACKERS OTHER DOWNHOLE EQUIP	\$	-	\$	-	\$	-
2065-5903	MISC TANGIBLE EQUIPMENT	\$	-	\$	-	\$	-
2064-1300	SURFACE EQUIPMENT PURCHASED	\$	14,000	\$	-	\$	14,000
2064-4200	TUBING	\$	75,000	\$	-	\$	75,000
2064-5001	FLOWLINES MATERIALS	\$	60,000	\$	-	\$	60,000
2064-5002	TANGIBLE EQUIPMENT - ARTIFICIAL LIFT	\$	165,000	\$	-	\$	165,000
2064-5200	TUBING HEAD XMAS TREE	\$	12,000	\$	-	\$	12,000
	TANGIBLE COMPLETION SUBTOTAL	\$	343,500	\$	-	\$	343,500
	COMPLETION TOTAL	\$	2,503,500	\$	-	\$	2,503,500

INTANGIBLE FACILITY	DESCRIPTION	Original \$/Bbls	Net	Supplement \$/Bbls	Net	Total \$/Bbls	Net
2056-1008	ENVIRONMENTAL - LAND	\$	-	\$	-	\$	-
2056-2002	FACILITY PAD CONSTRUCTION	\$	15,000	\$	-	\$	15,000
2056-3000	BITS	\$	-	\$	-	\$	-
2056-5200	TUBING HEAD XMAS TREE	\$	-	\$	-	\$	-
2056-2008	MISC INTANGIBLE FACILITY COSTS	\$	-	\$	-	\$	-
2056-2008	CONTRACT LABOR - AUTOMATION	\$	8,000	\$	-	\$	8,000
2056-2009	EQUIPMENT RENTALS	\$	8,500	\$	-	\$	8,500
2056-2010	FREIGHT & HANDLING	\$	5,000	\$	-	\$	5,000
2056-2012	CONTRACT LABOR - ELECTRICAL	\$	5,000	\$	-	\$	5,000
2056-2013	FACILITY CONSTRUCTION LABOR	\$	30,000	\$	-	\$	30,000
2056-2014	PIPELINE LABOR	\$	60,000	\$	-	\$	60,000
2056-2016	LOCATION DAMAGES ROW/LAND	\$	-	\$	-	\$	-
2056-2017	TITLE WORK/LANDMAN SERVICES - LAND	\$	-	\$	-	\$	-
2056-2019	NON OPERATED CHARGES - ICC	\$	-	\$	-	\$	-
	INTANGIBLE FACILITY SUBTOTAL	\$	131,500	\$	-	\$	131,500

TANGIBLE FACILITY	DESCRIPTION	Original \$/Bbls	Net	Supplement \$/Bbls	Net	Total \$/Bbls	Net
2066-1200	VESSELS	\$	60,000	\$	-	\$	60,000
2066-1300	COMPRESSORS COMPRESSOR PACKAGES	\$	-	\$	-	\$	-
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$	35,000	\$	-	\$	35,000
2066-1600	LACT	\$	20,000	\$	-	\$	20,000
2066-1700	AUTOMATION METERS, SENSORS, VALVES, & SCREENS	\$	25,000	\$	-	\$	25,000
2066-1900	LEASE AND FLOW LINES	\$	-	\$	-	\$	-
2066-2000	CATHODIC PROTECT SOLAR PWD	\$	-	\$	-	\$	-
2066-2003	MISC FITTINGS & SUPPLIES	\$	-	\$	-	\$	-
2066-2004	PUMPS & PUMP SUPPLIES	\$	22,500	\$	-	\$	22,500
2066-2005	PUMP & FILTERS	\$	8,000	\$	-	\$	8,000
2066-2006	MISC TANGIBLE FACILITY COSTS	\$	-	\$	-	\$	-
2066-2007	TANKS (OIL & WATER)	\$	10,000	\$	-	\$	10,000
2066-2015	CONTAINMENT	\$	60,000	\$	-	\$	60,000
2066-2017	SWD WELLS	\$	15,000	\$	-	\$	15,000
2066-2018	NON OPERATED CHARGES - ICC	\$	-	\$	-	\$	-
2066-2019	PIPING	\$	-	\$	-	\$	-
2066-2020	ELECTRICAL - FACILITY	\$	20,000	\$	-	\$	20,000
	TANGIBLE FACILITY SUBTOTAL	\$	368,500	\$	-	\$	368,500
	FACILITY TOTAL	\$	500,000	\$	-	\$	500,000

Garrison 20H TOTAL WELL ESTIMATE	Original \$/Bbls	Net	Supplement \$/Bbls	Net	Total \$/Bbls	Net
DRILLING TOTAL	\$	1,508,750	\$	-	\$	1,508,750
COMPLETION TOTAL	\$	2,503,500	\$	-	\$	2,503,500
FACILITY TOTAL	\$	868,000	\$	-	\$	868,000
TOTAL WELL COST	\$	4,880,250	\$	-	\$	4,880,250

Partner Approval

Signed _____
Name _____
Title _____

Company _____
Date _____



Authority for Expenditure
Drill, Complete, & Equip



Operator	Spur Energy Partners LLC	AFE #	
Well Name	Garrison 70H	SEP Permian LLC WI:	
Location		Well Cost Center:	
Project Description:			

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		Alpha	Net	Alpha	Net	Alpha	Net
2050-1000	LOCATION - GPS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1001	LOCATION DAMAGES ROW LAND	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-1002	TITLE WORK LANDMAN SERVICES - LAND	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-1003	DAMAGES ROW - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1004	SURVEY - LAND	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-1005	ENVIRONMENTAL AEC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1050	DRILLING PERMITS	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1301	DRILLING RENTALS - SURFACE	\$ 63,000	\$ -	\$ -	\$ -	\$ 63,000	\$ -
2050-1302	DRILLING RENTALS - SUBSURFACE	\$ 14,000	\$ -	\$ -	\$ -	\$ 14,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD FLUID	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 22,500	\$ -	\$ -	\$ -	\$ 22,500	\$ -
2050-1900	GROUND TRANSPORT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE TURKEYS)	\$ 100,500	\$ -	\$ -	\$ -	\$ 100,500	\$ -
2050-2001	DRILLING SERVICES SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 150,500	\$ -	\$ -	\$ -	\$ 150,500	\$ -
2050-2005	DRILLING DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 90,000	\$ -	\$ -	\$ -	\$ 90,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2800	ESSH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BIT RENTALS	\$ 32,000	\$ -	\$ -	\$ -	\$ 32,000	\$ -
2050-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3400	DESIGN & ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3600	COMPANY LABOR	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4000	SURFACE & INTERMEDIATE CEMENT	\$ 71,500	\$ -	\$ -	\$ -	\$ 71,500	\$ -
2050-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2050-4002	SURFACE AND INTERMEDIATE SERVICE	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ -
2050-4003	PROD CEMENT AND SERVICE	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4101	CORES - DSTS. AND ANALYSIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8000	MUD LOGGER	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8001	MOB DEMO RIG	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-8007	CONTRACT LABOR SERVICES	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2050-8009	MISC IDC CONTINGENCY	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
INTANGIBLE DRILLING SUBTOTAL		\$ 1,081,250	\$ -	\$ -	\$ -	\$ 1,081,250	\$ -

TANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		Alpha	Net	Alpha	Net	Alpha	Net
2051-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5100	SURFACE CASING	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ -
2051-5200	INTERMEDIATE CASING	\$ 56,500	\$ -	\$ -	\$ -	\$ 56,500	\$ -
2051-5300	PRODUCTION LINER CASING	\$ 327,250	\$ -	\$ -	\$ -	\$ 327,250	\$ -
2051-5400	CONDUCTOR PIPE	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
2051-5500	WELLHEAD	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
2051-5801	LINER HANGER CASING ACCESSORY	\$ 32,000	\$ -	\$ -	\$ -	\$ 32,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TANGIBLE DRILLING SUBTOTAL		\$ 471,750	\$ -	\$ -	\$ -	\$ 471,750	\$ -
DRILLING TOTAL		\$ 1,553,000	\$ -	\$ -	\$ -	\$ 1,553,000	\$ -

INTANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		Alpha	Net	Alpha	Net	Alpha	Net
2055-1000	LOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1200	EQUIP RENT	\$ 42,000	\$ -	\$ -	\$ -	\$ 42,000	\$ -
2055-1301	RENTALS - SURFACE IRON	\$ 51,000	\$ -	\$ -	\$ -	\$ 51,000	\$ -
2055-1302	RENTALS - SUBSURFACE	\$ 44,000	\$ -	\$ -	\$ -	\$ 44,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	COMPLETION FLUID	\$ 825,000	\$ -	\$ -	\$ -	\$ 825,000	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2055-1900	GROUND TRANSPORT	\$ 8,500	\$ -	\$ -	\$ -	\$ 8,500	\$ -
2055-2005	DRILLING DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 123,000	\$ -	\$ -	\$ -	\$ 123,000	\$ -
2055-2300	FRAC PLUGS	\$ 28,000	\$ -	\$ -	\$ -	\$ 28,000	\$ -
2055-2400	WELL PREP	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500	\$ -
2055-2401	FRAC FLUID SW DISPOSAL	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2055-2402	FRAC TANK RENTALS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-2403	FLOWBACK	\$ 54,000	\$ -	\$ -	\$ -	\$ 54,000	\$ -
2055-2600	ESSH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	RITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 807,500	\$ -	\$ -	\$ -	\$ 807,500	\$ -
2055-3400	PROPPANT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2055-3793	DAMAGES ROW	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-3850	NON OPERATED CHARGES - ICC	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-3900	FUEL & LUBE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-4000	CEMENT	\$	158,000	\$	-	\$	-	\$	-	\$	-	\$	158,000
2055-4001	CASINO CREWS AND LAYDOWN SERVICES	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-5001	ROAD WATERING	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-6001	COMPLETION/WORKOVER RIG	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-6002	KILL TRUCK	\$	81,000	\$	-	\$	-	\$	-	\$	-	\$	81,000
2055-8003	COIL TUBING SHUDDING NITRO SVC	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-4004	CONTRACT LABOR SERVICES	\$	70,500	\$	-	\$	-	\$	-	\$	-	\$	70,500
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8006	CONTRACT LABOR - ELECTRICAL AUTOMATION	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8007	CONTRACT LABOR - WELL LEVEL	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8008	CONTRACT LABOR - FRAC	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2054-1402	RENTALS SURFACE	\$	13,000	\$	-	\$	-	\$	-	\$	-	\$	13,000
2054-1600	KILL FLUID AND TRUCK	\$	5,000	\$	-	\$	-	\$	-	\$	-	\$	5,000
2054-1700	CONSULTANT	\$	9,000	\$	-	\$	-	\$	-	\$	-	\$	9,000
2054-2200	WORKOVER RIG	\$	15,000	\$	-	\$	-	\$	-	\$	-	\$	15,000
2054-4910	CONTRACT LABOR - ARTIFICIAL LIFT	\$	20,000	\$	-	\$	-	\$	-	\$	-	\$	20,000
2054-4911	CONTRACT LABOR - FLOWLINE	\$	40,000	\$	-	\$	-	\$	-	\$	-	\$	40,000
INTANGIBLE COMPLETION SUBTOTAL		\$	2,160,000	\$	-	\$	-	\$	-	\$	-	\$	2,160,000

TANGIBLE COMPLETION	DESCRIPTION	Original	Net	Supplement	Net	Total	Net
		\$/bbls		\$/bbls		\$/bbls	
2055-2500	SUPPLIES & SMALL TOOLS	\$	-	\$	-	\$	-
2055-2700	COMMUNICATION	\$	-	\$	-	\$	-
2055-3000	BITS	\$	4,000	\$	-	\$	4,000
2055-3002	CONTRACTS	\$	-	\$	-	\$	-
2055-3003	NON OPERATED CHARGES - ICC	\$	-	\$	-	\$	-
2055-4101	WATER SUPPLY WELLS	\$	-	\$	-	\$	-
2055-5001	OVERHEAD POWER	\$	-	\$	-	\$	-
2055-8007	PARTS & SUPPLIES - ARTIFICIAL LIFT	\$	-	\$	-	\$	-
2055-8003	PARTS & SUPPLIES - ELECTRICAL AUTOMATION	\$	-	\$	-	\$	-
2055-8004	PARTS & SUPPLIES - WELL LEVEL	\$	-	\$	-	\$	-
2055-5100	TUBING	\$	-	\$	-	\$	-
2055-8200	TUBING HEAD XMAS TREE	\$	13,500	\$	-	\$	13,500
2055-5300	SUBSURFACE EQUIP	\$	-	\$	-	\$	-
2055-6400	PACKER AND SUBSURFACE EQUIPMENT	\$	-	\$	-	\$	-
2055-6500	SUBSURFACE PUMP, ROOS, AND ACCES	\$	-	\$	-	\$	-
2055-5600	PUMPING & LIFTING EQUIP	\$	-	\$	-	\$	-
2055-5900	HEALTH, SAFETY, AND ENVIRONMENTAL	\$	-	\$	-	\$	-
2055-5901	LINER HANGER CASING ACCESSORY	\$	-	\$	-	\$	-
2055-5902	PACKERS OTHER DOWNHOLE EQUIP	\$	-	\$	-	\$	-
2055-5903	MISC TANGIBLE EQUIPMENT	\$	-	\$	-	\$	-
2054-1300	SURFACE EQUIPMENT PURCHASED	\$	14,000	\$	-	\$	14,000
2054-4500	TUBING	\$	75,000	\$	-	\$	75,000
2054-5001	FLOWLINE MATERIALS	\$	60,000	\$	-	\$	60,000
2054-5002	TANGIBLE EQUIPMENT - ARTIFICIAL LIFT	\$	165,000	\$	-	\$	165,000
2054-5200	TUBING HEAD XMAS TREE	\$	12,000	\$	-	\$	12,000
TANGIBLE COMPLETION SUBTOTAL		\$	343,500	\$	-	\$	343,500
COMPLETION TOTAL		\$	2,503,500	\$	-	\$	2,503,500

INTANGIBLE FACILITY	DESCRIPTION	Original	Net	Supplement	Net	Total	Net
		\$/bbls		\$/bbls		\$/bbls	
2055-1000	ENVIRONMENTAL AND LAND	\$	-	\$	-	\$	-
2055-2000	FACILITY PAD CONSTRUCTION	\$	15,000	\$	-	\$	15,000
2055-3000	BITS	\$	-	\$	-	\$	-
2055-5200	TUBING HEAD XMAS TREE	\$	-	\$	-	\$	-
2055-2005	MISC INTANGIBLE FACILITY COSTS	\$	-	\$	-	\$	-
2055-2006	CONTRACT LABOR - AUTOMATION	\$	8,000	\$	-	\$	8,000
2055-2009	EQUIPMENT RENTALS	\$	8,500	\$	-	\$	8,500
2055-2010	FREIGHT & HANDLING	\$	5,000	\$	-	\$	5,000
2055-2012	CONTRACT LABOR - ELECTRICAL	\$	30,000	\$	-	\$	30,000
2055-2013	FACILITY CONSTRUCTION LABOR	\$	60,000	\$	-	\$	60,000
2055-2014	PIPELINE LABOR	\$	-	\$	-	\$	-
2055-2016	LOCATION DAMAGES ROW-LAND	\$	-	\$	-	\$	-
2055-2017	TITLE WORK/LANDMAN SERVICES - LAND	\$	-	\$	-	\$	-
2055-2019	NON OPERATED CHARGES - ICC	\$	-	\$	-	\$	-
INTANGIBLE FACILITY SUBTOTAL		\$	131,500	\$	-	\$	131,500

TANGIBLE FACILITY	DESCRIPTION	Original	Net	Supplement	Net	Total	Net
		\$/bbls		\$/bbls		\$/bbls	
2055-1200	VESELS	\$	60,000	\$	-	\$	60,000
2055-1300	COMPRESSORS COMPRESSOR PACKAGES	\$	-	\$	-	\$	-
2055-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$	35,000	\$	-	\$	35,000
2055-1600	LACT	\$	20,000	\$	-	\$	20,000
2055-1700	AUTOMATION METERS, SENSORS, VALVES, & SCREENS	\$	25,000	\$	-	\$	25,000
2055-1800	LEASE AND FLOW LINES	\$	-	\$	-	\$	-
2055-2000	CATHODIC PROT-SOLAR PWD	\$	-	\$	-	\$	-
2055-2003	MISC FITTINGS & SUPPLIES	\$	22,500	\$	-	\$	22,500
2055-2004	PUMPS & PUMP SUPPLIES	\$	8,000	\$	-	\$	8,000
2055-2005	PUMP & FILTERS	\$	-	\$	-	\$	-
2055-2006	MISC TANGIBLE FACILITY COSTS	\$	10,000	\$	-	\$	10,000
2055-2007	TANKS (OIL & WATER)	\$	60,000	\$	-	\$	60,000
2055-2015	CONTAINMENT	\$	15,000	\$	-	\$	15,000
2055-2017	S&W WELLS	\$	-	\$	-	\$	-
2055-2018	NON OPERATED CHARGES - ICC	\$	-	\$	-	\$	-
2055-2019	P.PING	\$	20,000	\$	-	\$	20,000
2055-2020	ELECTRICAL - FACILITY	\$	95,000	\$	-	\$	95,000
TANGIBLE FACILITY SUBTOTAL		\$	368,500	\$	-	\$	368,500
FACILITY TOTAL		\$	503,000	\$	-	\$	503,000

Carlson 70H TOTAL WELL ESTIMATE		Original	Net	Supplement	Net	Total	Net
		\$/bbls		\$/bbls		\$/bbls	
DRILLING TOTAL		\$	1,553,000	\$	-	\$	1,553,000
COMPLETION TOTAL		\$	2,603,500	\$	-	\$	2,603,500
FACILITY TOTAL		\$	503,000	\$	-	\$	503,000
TOTAL WELL COST		\$	4,559,500	\$	-	\$	4,559,500

Partner Approval

Signed _____

Company _____

Name _____

Date _____

Title _____



Authority for Expenditure
Drill, Complete, & Equip



Operator	Spur Energy Partners LLC	A/E #	
Well Name	Garrison 93H	SEP Permian LLC Well	
Location		Well Cost Center	
Project Description			

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		Alpha	Net	Alpha	Net	Alpha	Net
2050-1000	LOCATION - OPS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1001	LOCATION EASEMENTS ROW/LAND	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-1002	TITLE WORK/LANDMAN SERVICES - LAND	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-1003	DAMAGED ROW - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1005	SURVEY - LAND	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-1004	ENVIRONMENTAL/ABC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1050	DRILLING PERMITS	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1301	DRILLING RENTALS - SURFACE	\$ 63,000	\$ -	\$ -	\$ -	\$ 63,000	\$ -
2050-1302	DRILLING RENTALS - SUBSURFACE	\$ 14,000	\$ -	\$ -	\$ -	\$ 14,000	\$ -
2050-1410	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD FLUID	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 22,500	\$ -	\$ -	\$ -	\$ 22,500	\$ -
2050-1800	GROUND TRANSPORT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 180,500	\$ -	\$ -	\$ -	\$ 180,500	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 150,500	\$ -	\$ -	\$ -	\$ 150,500	\$ -
2050-2005	DRILLING DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 90,000	\$ -	\$ -	\$ -	\$ 90,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BIT RENTALS	\$ 32,000	\$ -	\$ -	\$ -	\$ 32,000	\$ -
2050-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3400	DESIGN & ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3600	COMPANY LABOR	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3900	FUEL & LUBE	\$ 71,500	\$ -	\$ -	\$ -	\$ 71,500	\$ -
2050-4000	SURFACE & INTERMEDIATE CEMENT	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2050-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ -
2050-4002	SURFACE AND INTERMEDIATE SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4003	PROD CEMENT AND SERVICE	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4101	CORES, DST'S, AND ANALYSIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8000	MUD LOGGER	\$ 16,000	\$ -	\$ -	\$ -	\$ 16,000	\$ -
2050-8001	MOB-DEMOB RIO	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-8007	CONTRACT LABOR SERVICES	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2050-8009	MISC IDC CONTINGENCY	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
INTANGIBLE DRILLING SUBTOTAL		\$ 1,081,250	\$ -	\$ -	\$ -	\$ 1,081,250	\$ -

TANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		Alpha	Net	Alpha	Net	Alpha	Net
2051-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5100	SURFACE CASING	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ -
2051-5200	INTERMEDIATE CASING	\$ 68,500	\$ -	\$ -	\$ -	\$ 68,500	\$ -
2051-5300	PRODUCTION LIVER CASING	\$ 327,250	\$ -	\$ -	\$ -	\$ 327,250	\$ -
2051-5400	CONDUCTOR PIPE	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
2051-5500	WELLHEAD	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
2051-5801	LINER HANGER-CASING ACCESSORY	\$ 32,000	\$ -	\$ -	\$ -	\$ 32,000	\$ -
2051-5903	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TANGIBLE DRILLING SUBTOTAL		\$ 471,750	\$ -	\$ -	\$ -	\$ 471,750	\$ -
DRILLING TOTAL		\$ 1,553,000	\$ -	\$ -	\$ -	\$ 1,553,000	\$ -

INTANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		Alpha	Net	Alpha	Net	Alpha	Net
2055-1000	LOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1300	EQUIP RENT	\$ 42,000	\$ -	\$ -	\$ -	\$ 42,000	\$ -
2055-1301	RENTALS - SURFACE IRON	\$ 61,000	\$ -	\$ -	\$ -	\$ 61,000	\$ -
2055-1302	RENTALS - SUBSURFACE	\$ 44,000	\$ -	\$ -	\$ -	\$ 44,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	COMPLETION FLUID	\$ 625,000	\$ -	\$ -	\$ -	\$ 625,000	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2055-1900	GROUND TRANSPORT	\$ 8,500	\$ -	\$ -	\$ -	\$ 8,500	\$ -
2055-2000	DRILLING DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 123,000	\$ -	\$ -	\$ -	\$ 123,000	\$ -
2055-2300	FRAC PLUGS	\$ 29,000	\$ -	\$ -	\$ -	\$ 29,000	\$ -
2055-2400	WELL PREP	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500	\$ -
2055-2401	FRAC FLUID 3W DISPOSAL	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2055-2402	FRAC TANK RENTALS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-2403	FLICWBACK	\$ 54,000	\$ -	\$ -	\$ -	\$ 54,000	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 607,500	\$ -	\$ -	\$ -	\$ 607,500	\$ -
2055-3400	PROPANT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2055-3750	DAMAGES ROW	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-3800	NON OPERATED CHARGES - ICC	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-3900	FUEL & LUBE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-4000	CEMENT	\$	158,000	\$	-	\$	-	\$	-	\$	-	\$	158,000
2055-4301	CASINO CREWS AND LAYDOWN SERVICES	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-5001	ROAD WATERING	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8001	COMPLETION WORKOVER RIG	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8002	MILL TRUCK	\$	91,000	\$	-	\$	-	\$	-	\$	-	\$	91,000
2055-8003	COIL TUBING SHUDDING NITRO 5VD	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8004	CONTRACT LABOR SERVICES	\$	79,500	\$	-	\$	-	\$	-	\$	-	\$	79,500
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8006	CONTRACT LABOR - ELECTRICAL AUTOMATION	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8007	CONTRACT LABOR - WELL LEVEL	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2055-8008	CONTRACT LABOR - FRAC	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2054-1402	RENTALS-SURFACE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2054-1403	KILL FLUID AND TRUCK	\$	13,000	\$	-	\$	-	\$	-	\$	-	\$	13,000
2054-1700	CONSULTANT	\$	9,000	\$	-	\$	-	\$	-	\$	-	\$	9,000
2054-2200	WORKOVER RIG	\$	6,000	\$	-	\$	-	\$	-	\$	-	\$	6,000
2054-4510	CONTRACT LABOR - ARTIFICIAL LIFT	\$	19,000	\$	-	\$	-	\$	-	\$	-	\$	19,000
2054-4511	CONTRACT LABOR - FLOWLINE	\$	20,000	\$	-	\$	-	\$	-	\$	-	\$	20,000
		\$	40,000	\$	-	\$	-	\$	-	\$	-	\$	40,000
	INTANGIBLE COMPLETION SUBTOTAL	\$	2,110,000	\$	-	\$	-	\$	-	\$	-	\$	2,110,000

TANGIBLE COMPLETION	DESCRIPTION	Original	Net	Supplement	Net	Total	Net
		\$/Bbls		\$/Bbls		\$/Bbls	
2065-2300	SUPPLIES & SMALL TOOLS	\$	-	\$	-	\$	-
2065-2700	COMMUNICATION	\$	-	\$	-	\$	-
2065-3000	BITS	\$	-	\$	-	\$	-
2065-3200	CONTINGENCIES	\$	4,000	\$	-	\$	4,000
2065-3800	NON OPERATED CHARGES - FCC	\$	-	\$	-	\$	-
2065-4102	WATER SUPPLY WELL	\$	-	\$	-	\$	-
2065-5001	OVERHEAD POWER	\$	-	\$	-	\$	-
2065-5002	PARTS & SUPPLIES - ARTIFICIAL LIFT	\$	-	\$	-	\$	-
2065-5003	PARTS & SUPPLIES - ELECTRICAL AUTOMATION	\$	-	\$	-	\$	-
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$	-	\$	-	\$	-
2065-5100	TUBING	\$	-	\$	-	\$	-
2065-5200	TUBING HEAD XMAS TREE	\$	13,500	\$	-	\$	13,500
2065-5300	SUBSURFACE EQUIP	\$	-	\$	-	\$	-
2065-5400	PACKER AND SUBSURFACE EQUIPMENT	\$	-	\$	-	\$	-
2065-5500	SUBSURFACE PUMP, RODS, AND ACCESS	\$	-	\$	-	\$	-
2065-5600	PUMPING & LIFTING EQUIP	\$	-	\$	-	\$	-
2065-5900	HEALTH, SAFETY, AND ENVIRONMENTAL	\$	-	\$	-	\$	-
2065-5901	UNDER HANGER CASING ACCESSORY	\$	-	\$	-	\$	-
2065-5902	PACKERS/OTHER DOWNHOLE EQUIP	\$	-	\$	-	\$	-
2065-5903	MISC TANGIBLE EQUIPMENT	\$	-	\$	-	\$	-
2064-1300	SURFACE EQUIPMENT PURCHASED	\$	-	\$	-	\$	-
2064-4200	TUBING	\$	14,000	\$	-	\$	14,000
2064-5001	FLOWLINE MATERIALS	\$	75,000	\$	-	\$	75,000
2064-5002	TANGIBLE EQUIPMENT - ARTIFICIAL LIFT	\$	60,000	\$	-	\$	60,000
2064-5200	TUBING HEAD XMAS TREE	\$	165,000	\$	-	\$	165,000
		\$	12,000	\$	-	\$	12,000
	TANGIBLE COMPLETION SUBTOTAL	\$	343,500	\$	-	\$	343,500
	COMPLETION TOTAL	\$	2,453,500	\$	-	\$	2,453,500

INTANGIBLE FACILITY	DESCRIPTION	Original	Net	Supplement	Net	Total	Net
		\$/Bbls		\$/Bbls		\$/Bbls	
2066-1008	ENVIRONMENTAL A/C - LAND	\$	-	\$	-	\$	-
2066-2002	FACILITY PAD CONSTRUCTION	\$	15,000	\$	-	\$	15,000
2065-3000	BITS	\$	-	\$	-	\$	-
2065-5200	TUBING HEAD XMAS TREE	\$	-	\$	-	\$	-
2065-2006	MISC INTANGIBLE FACILITY COSTS	\$	8,000	\$	-	\$	8,000
2065-2008	CONTRACT LABOR - AUTOMATION	\$	8,500	\$	-	\$	8,500
2065-2009	EQUIPMENT RENTALS	\$	5,000	\$	-	\$	5,000
2065-2010	FREIGHT & HANDLING	\$	5,000	\$	-	\$	5,000
2065-2012	CONTRACT LABOR - ELECTRICAL	\$	10,000	\$	-	\$	10,000
2065-2013	FACILITY CONSTRUCTION LABOR	\$	60,000	\$	-	\$	60,000
2065-2014	PIPELINE LABOR	\$	-	\$	-	\$	-
2064-2016	LOCATION DAMAGES ROW LAND	\$	-	\$	-	\$	-
2065-2017	TITLE WORK/LANDMAN SERVICES - LAND	\$	-	\$	-	\$	-
2065-2018	NON OPERATED CHARGES - IFC	\$	-	\$	-	\$	-
	INTANGIBLE FACILITY SUBTOTAL	\$	131,500	\$	-	\$	131,500

TANGIBLE FACILITY	DESCRIPTION	Original	Net	Supplement	Net	Total	Net
		\$/Bbls		\$/Bbls		\$/Bbls	
2066-1200	VESSELS	\$	60,000	\$	-	\$	60,000
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$	-	\$	-	\$	-
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$	35,000	\$	-	\$	35,000
2066-1600	LACT	\$	20,000	\$	-	\$	20,000
2066-1700	AUTOMATION METERS, SENSORS, VALVES & SCREENS	\$	25,000	\$	-	\$	25,000
2066-1800	LEASE AND FLOWLINE	\$	-	\$	-	\$	-
2066-2000	CATHODIC PROT-SOLAR FWD	\$	-	\$	-	\$	-
2066-2003	MISC FITTINGS & SUPPLIES	\$	22,500	\$	-	\$	22,500
2066-2004	PUMPS & PUMP SUPPLIES	\$	8,000	\$	-	\$	8,000
2066-2005	PUMP & FILTERS	\$	-	\$	-	\$	-
2066-2006	MISC TANGIBLE FACILITY COSTS	\$	10,000	\$	-	\$	10,000
2066-2007	TANKS (OIL & WATER)	\$	60,000	\$	-	\$	60,000
2066-2015	CONTAINMENT	\$	15,000	\$	-	\$	15,000
2066-2017	SWD WELLS	\$	-	\$	-	\$	-
2066-2018	NON OPERATED CHARGES - FCC	\$	-	\$	-	\$	-
2066-2019	PIPING	\$	20,000	\$	-	\$	20,000
2066-2020	ELECTRICAL - FACILITY	\$	85,000	\$	-	\$	85,000
	TANGIBLE FACILITY SUBTOTAL	\$	368,500	\$	-	\$	368,500
	FACILITY TOTAL	\$	500,000	\$	-	\$	500,000

Carrison 90H TOTAL WELL ESTIMATE		Original	Net	Supplement	Net	Total	Net
		\$/Bbls		\$/Bbls		\$/Bbls	
	DRILLING TOTAL	\$	1,853,000	\$	-	\$	1,853,000
	COMPLETION TOTAL	\$	2,563,500	\$	-	\$	2,563,500
	FACILITY TOTAL	\$	500,000	\$	-	\$	500,000
	TOTAL WELL COST	\$	4,916,500	\$	-	\$	4,916,500

Partner Approval

Signed _____

Company _____

Name _____

Date _____

Title _____

**Summary of Phone Conversations between Johnny B. Johnson, Attorney at Law and
representatives of Spur Energy Partners LLC, related to OCD Case No. 25727**

September 23, 2025 – Phone conversation with Drew Oldis

Drew Oldis informed me that in 1998 the royalty provided in the client's lease changed from 5% to 1/8. He stated that the proposed wells were crossing three (3) 40-acre tracts. He asked for the address of Fred Closuit. He stated that he was still trying to figure out what the overriding royalty burden was, and that clients might have better than a 75% net revenue interest. My quick review of the title documents provided indicated that the lease was burdened by two reserved overriding royalty interests; one being 7.5% and the other being 7.5% of 7/8. That being the case, if the lessor's royalty is 1/8, total burdens on the lease would be 30.9375%.

October 23, 2025 – Phone conversation with Drew Oldis

Drew stated that he thinks the offer to participate constitutes a good faith offer. He stated that the client's two (2) 40-acre tracts and the 40-acre tract owned by Spur are locked in by other units, and therefore the proposed unit is only 120 acres comprised of the (3) 40-acre tracts. He stated that he meant to give us a heads up on the pooling application being filed but he did not have time to get around to that. It was my opinion that Drew Oldis knew that his offer to purchase was not in good faith because it was conditioned on delivering a 75% net revenue interest and Spur's own title opinion showed that the clients only owned a 69% net revenue interest. I encouraged Drew to make us an offer based on the facts that exist-not based on a fantasy net revenue interest.

November 5, 2025 – Phone conversation with Drew Oldis

Drew stated that Spur's 40 acre tract is not burdened with the same overriding royalty interests that the client's 80 acres are. I informed him that we have turned this matter over to New Mexico counsel, but we are open to a realistic offer to purchase out interest based on the existing net revenue interest. He seemed somewhat disappointed that we were opposing their pooling application. He informed me that the hearing had been postponed to December.

December 1, 2025 – Phone conversation with Nash Bell

This phone conversation is summarized in my December 1, 2025 email to Ernest Padilla, a copy of which is provided with this email.



To: jjohnson [wilsonjohnson.com](mailto:jjohnson@wilsonjohnson.com) <jjohnson@wilsonjohnson.com>
Subject: FW: EML, JLM, GLJ 2010 Trusts

From: Drew Oldis <doldis@spurenergy.com>
Sent: Wednesday, September 17, 2025 4:00 PM
To: Lynn Rizzo <lrizzocpa@att.net>
Subject: Re: EML, JLM, GLJ 2010 Trusts

Lynn,

Please see that attached excerpt from our most recent title opinion as it pertains to the interests in the three trusts. Also please see the attached zip file containing the various assignments mentioned in the attached excerpt.

Thanks,

Drew Oldis
Senior Landman
SPUR ENERGY PARTNERS LLC
9655 Katy Freeway, Suite 500 | Houston, TX 77024
(832) 930-8502 (Main)
(832) 982-1081 (Office)
doldis@spurenergy.com



From: Lynn Rizzo <lrizzocpa@att.net>
Sent: Wednesday, September 17, 2025 2:40 PM
To: Drew Oldis <doldis@spurenergy.com>
Subject: EML, JLM, GLJ 2010 Trusts

Hi Drew,

It was nice talking with you earlier today. I thought it might be helpful to email you my contact information. I work for the Long family, specifically for the trustees of the GLJ, JLM and EML 2010 trusts.

Please forward WI /relevant information you mentioned earlier so that we can confirm and quickly provide you a response.

Thank you.

Lynn Rizzo



From: jjohnson wilsonjohnson.com <jjohnson@wilsonjohnson.com>
Sent: Monday, September 22, 2025 5:13 PM
To: Drew Oldis <doldis@spurenergy.com>
Cc: Lynn Rizzo (lrizzocpa@att.net) <lrizzocpa@att.net>
Subject: FW: EML, JLM, GLJ 2010 Trusts

Drew,

I represent the three subject trusts named in your well proposal letter for the Garrison Wells in Eddy County, New Mexico. I think you have discussed this matter with their CPA, Lynn Rizzo. Please give me a call when convenient so that we can discuss how best to proceed.

Johnny B. Johnson
Wilson & Johnson, L.L.P.
2603 Augusta Dr., Suite 1150
Houston, Texas 77057
jjohnson@wilsonjohnson.com
Phone: (713) 781-7550
Cell: (713) 305-5959



From: Lynn Rizzo <lrizzocpa@att.net>
Sent: Wednesday, September 17, 2025 4:07 PM
To: jjohnson [wilsonjohnson.com](mailto:jjohnson@wilsonjohnson.com) <jjohnson@wilsonjohnson.com>
Subject: FW: EML, JLM, GLJ 2010 Trusts

From: Drew Oldis <doldis@spurenergy.com>
Sent: Wednesday, September 17, 2025 4:00 PM
To: Lynn Rizzo <lrizzocpa@att.net>
Subject: Re: EML, JLM, GLJ 2010 Trusts

Lynn,

From: jjohnson wilsonjohnson.com <jjohnson@wilsonjohnson.com>
Sent: Thursday, October 23, 2025 3:11 PM
To: Drew Oldis
Subject: RE: EML, JLM, GLJ 2010 Trusts

Drew,

Thank you for the response. I will talk with my clients, and we will get you a counteroffer early next week.

Johnny B. Johnson
Wilson & Johnson, L.L.P.
2603 Augusta Dr., Suite 1150
Houston, Texas 77057
jjohnson@wilsonjohnson.com
Phone: (713) 781-7550
Cell: (713) 305-5959



From: Drew Oldis <doldis@spurenergy.com>
Sent: Thursday, October 23, 2025 2:42 PM
To: jjohnson wilsonjohnson.com <jjohnson@wilsonjohnson.com>
Subject: Re: EML, JLM, GLJ 2010 Trusts

Johnny,

Per our telephone call this morning, please see the response I received from Doug Lunsford regarding the ORRI burdens. Doug is a partner at Hinkle Shanor out in Roswell, New Mexico.

"Based upon the limited information submitted to us, I believe that both of the previously reserved 7.5% and 10.9375% overriding royalty interests are still valid. Further, in general, a segregated lease is subject to the same terms and provisions of the parent lease; however, since renewal leases are involved here, they stand on their own after issuance. Also, the 7.5% ORI reserved by V. L. Foster et al remains valid despite the fact that it was reserved when the original "a" lease d. 6/9/38 which it originally burdened, had a royalty of 5% as a reward for discovery. I believe this original (a) lease was renewed after its original 20-year term rather than exchanged and that the renewal lease had the same or similar royalty provisions to those in the below described 6/1/68 renewal lease."

Doug's response echoes what was previously conveyed to you from our title attorneys on our first phone call that the large ORRIs burdening the lease are valid and the NRI is not going to change.

Outside our phone call a month ago, a response to Spur's initial well proposal dated August 18, 2025, was never received and pooling proceedings were initiated as stated in the proposal. Due to Spur's preference to obtain

voluntary agreements and forego pooling proceedings, please provide a counteroffer in response to the well proposal on behalf of your clients?

Thanks,

Drew Oldis

Senior Landman

SPUR ENERGY PARTNERS LLC

9655 Katy Freeway, Suite 500 | Houston, TX 77024

(832) 930-8502 (Main)

(832) 982-1081 (Office)

doldis@spurenergy.com



From: jjohnson wilsonjohnson.com <jjohnson@wilsonjohnson.com>

Sent: Monday, September 22, 2025 5:13 PM

To: Drew Oldis <doldis@spurenergy.com>

Cc: Lynn Rizzo (lrizzocpa@att.net) <lrizzocpa@att.net>

Subject: FW: EML, JLM, GLJ 2010 Trusts

Drew,

I represent the three subject trusts named in your well proposal letter for the Garrison Wells in Eddy County, New Mexico. I think you have discussed this matter with their CPA, Lynn Rizzo. Please give me a call when convenient so that we can discuss how best to proceed.

Johnny B. Johnson

Wilson & Johnson, L.L.P.

2603 Augusta Dr., Suite 1150

Houston, Texas 77057

jjohnson@wilsonjohnson.com

Phone: (713) 781-7550

Cell: (713) 305-5959



From: Lynn Rizzo <lrizzocpa@att.net>

Sent: Wednesday, September 17, 2025 4:07 PM

OCD-25727-Ex.3-44

Lynn C. Rizzo, CPA
2327 Maroneal St.
Houston, Texas 77030
Office: 713-839-0277
Mobile: 832-729-7942
Lrizzocpa@att.net

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Wilson & Johnson, L.L.P.
2603 Augusta Dr., Suite 1150
Houston, Texas 77057
jjohnson@wilsonjohnson.com
Phone: (713) 781-7550
Cell: (713) 305-5959



From: Drew Oldis <doldis@spurenergy.com>
Sent: Thursday, October 23, 2025 2:42 PM
To: jjohnson@wilsonjohnson.com <jjohnson@wilsonjohnson.com>
Subject: Re: EML, JLM, GLJ 2010 Trusts

Johnny,

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"Based upon the limited information submitted to us, I believe that both of the previously reserved 7.5% and 10.9375% overriding royalty interests are still valid. Further, in general, a segregated lease is subject to the same terms and provisions of the parent lease; however, since renewal leases are involved here, they stand on their own after issuance. Also, the 7.5% ORI reserved by V. L. Foster et al remains valid despite the fact that it was reserved when the original "a" lease d. 6/9/38 which it originally burdened, had a royalty of 5% as a reward for discovery. I believe this original (a) lease was renewed after its original 20-year term rather than exchanged and that the renewal lease had the same or similar royalty provisions to those in the below described 6/1/68 renewal lease."

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Outside our phone call a month ago, a response to Spur's initial well proposal dated August 18, 2025, was never received and pooling proceedings were initiated as stated in the proposal. Due to Spur's preference to obtain voluntary agreements and forego pooling proceedings, please provide a counteroffer in response to the well proposal on behalf of your clients?

Thanks,

Drew Oldis
Senior Landman
SPUR ENERGY PARTNERS LLC
9655 Katy Freeway, Suite 500 | Houston, TX 77024
(832) 930-8502 (Main)
(832) 982-1081 (Office)
doldis@spurenergy.com

Please see that attached excerpt from our most recent title opinion as it pertains to the interests in the three trusts. Also please see the attached zip file containing the various assignments mentioned in the attached excerpt.

Thanks,

Drew Oldis

Senior Landman

SPUR ENERGY PARTNERS LLC

9655 Katy Freeway, Suite 500 | Houston, TX 77024

(832) 930-8502 (Main)

(832) 982-1081 (Office)

doldis@spurenergy.com



From: Lynn Rizzo <lrizzocpa@att.net>

Sent: Wednesday, September 17, 2025 2:40 PM

To: Drew Oldis <doldis@spurenergy.com>

Subject: EML, JLM, GLJ 2010 Trusts

Hi Drew,

It was nice talking with you earlier today. I thought it might be helpful to email you my contact information. I work for the Long family, specifically for the trustees of the GLJ, JLM and EML 2010 trusts.

Please forward WI /relevant information you mentioned earlier so that we can confirm and quickly provide you a response.

Thank you.

Lynn Rizzo

Lynn C. Rizzo, CPA

2327 Maroneal St.

Houston, Texas 77030

Office: 713-839-0277

Mobile: 832-729-7942

Lrizzocpa@att.net

From: jjohnson wilsonjohnson.com <jjohnson@wilsonjohnson.com>
Sent: Monday, October 27, 2025 2:52 PM
To: Drew Oldis
Cc: Lynn Rizzo (lrizzocpa@att.net)
Subject: RE: EML, JLM, GLJ 2010 Trusts

Drew,

As you requested in your email set out below, I have been authorized to make the following counteroffer in response to the offer made in your Well Proposal Letter dated August 18, 2025. As I think you know, I represent the following trusts:

1. GLJ 2010 Trust, Gretchen Long Jameson, Trustee
2. EML 2010 Trust, E. Merideth Long, Trustee
3. JLM 2010 Trust, Jenny Long Murphy, Trustee

My clients named above have authorized me to make a counter proposal to your company which is patterned along the lines of your option number 3 contained in the August 18, 2025 Well Proposal Letter. My clients would be willing to assign to Spur their interest in the lease covering 80 acres of land comprised of the NE/4 of the SE/4 and the NE/4 of the SW/4 of Section 17, Township 17 South, Range 31 East, Eddy County, New Mexico. The assignment would exclude existing wellbores and be limited to the Yeso Formation. It would be a term assignment for a primary term of three (3) years and as long thereafter as production is maintained in paying quantities. The consideration for such an assignment would be \$1,500 per net mineral acre, and my clients would deliver the leasehold working interest which they own subject to existing leasehold burdens. As you were aware when the August 18, 2025 Letter was prepared, my clients' leasehold working interest is burdened by royalty and overriding royalties totaling 30.9375%. As long as all of those burdens remain in place, the net revenue interest in the leasehold to be delivered to Spur will be 69.0625%. These percentages are based upon the excerpt of the Title Opinion dated April 29, 2025, prepared by Kearney McWilliams & Davis, which you provided to me. The assignment of leasehold interest from my clients to Spur will contain a provision that in the event royalty and overriding royalty burdens ever become less than 25%, my clients will retain a proportionally reduced overriding royalty interest equal to the positive difference between 25% and the leasehold burdens. As noted above, based on the information contained in your title opinion, there would be no overriding royalty reserved by my clients unless the royalty or overriding royalty burdens are reduced in the future. All percentages stated above would be proportionately reduced to my clients' 50% leasehold interest in the lease.

If the above counteroffer is acceptable to Spur, please contact me and we will work toward preparing the appropriate assignment.

The offer contained herein will remain in effect until November 3, 2025. If you feel you need more time to consider the above offer, we will require written confirmation from you that you will not proceed with the hearing scheduled for November 13, 2025. We must have your answer by November 3, 2025, in order to allow us time to prepare objections to your compulsory pooling application, in the event we have not reached agreement on the assignment of my clients' leasehold interest to Spur.

Please contact me if you have any questions or need any additional information. I look forward to working with you and concluding this matter as soon as possible.

Johnny B. Johnson

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From: Drew Oldis <doldis@spurenergy.com>
Sent: Thursday, October 30, 2025 3:37 PM
To: jjohnson wilsonjohnson.com
Cc: Lynn Rizzo (lrizzocpa@att.net)
Subject: Re: EML, JLM, GLJ 2010 Trusts

Johnny,

Thank you for following up with a counteroffer on behalf of your clients for their interest in Spur's proposed Garrison DSU. Upon receipt of the counteroffer earlier this week, it was sent to Spur's management team for their review and approval. After reviewing the terms, as well as the details surrounding the Garrison DSU, Spur's management team has decided to decline the counteroffer of a three-year term assignment at the current NRI for \$1,500/acre. Although the counteroffer was not accepted, please note the offer for your clients to participate with their interest under the proposed Garrison JOA remains in effect until November 13, 2025 (date of pooling hearing for Case No. 25727)

Thanks,

Drew Oldis
Senior Landman
SPUR ENERGY PARTNERS LLC
9655 Katy Freeway, Suite 500 | Houston, TX 77024
(832) 930-8502 (Main)
(832) 982-1081 (Office)
doldis@spurenergy.com



From: jjohnson wilsonjohnson.com <jjohnson@wilsonjohnson.com>
Sent: Monday, October 27, 2025 3:51 PM
To: Drew Oldis <doldis@spurenergy.com>
Cc: Lynn Rizzo (lrizzocpa@att.net) <lrizzocpa@att.net>
Subject: RE: EML, JLM, GLJ 2010 Trusts

Drew,

As you requested in your email set out below, I have been authorized to make the following counteroffer in response to the offer made in your Well Proposal Letter dated August 18, 2025. As I think you know, I represent the following trusts:

1. GLJ 2010 Trust, Gretchen Long Jameson, Trustee
2. EML 2010 Trust, E. Merideth Long, Trustee
3. JLM 2010 Trust, Jenny Long Murphy, Trustee

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If the above counteroffer is acceptable to Spur, please contact me and we will work toward preparing the appropriate assignment.

The offer contained herein will remain in effect until November 3, 2025. If you feel you need more time to consider the above offer, we will require written confirmation from you that you will not proceed with the hearing scheduled for November 13, 2025. We must have your answer by November 3, 2025, in order to allow us time to prepare objections to your compulsory pooling application, in the event we have not reached agreement on the assignment of my clients' leasehold interest to Spur.

Please contact me if you have any questions or need any additional information. I look forward to working with you and concluding this matter as soon as possible.

Johnny B. Johnson
Wilson & Johnson, L.L.P.
2603 Augusta Dr., Suite 1150
Houston, Texas 77057
jjohnson@wilsonjohnson.com
Phone: (713) 781-7550
Cell: (713) 305-5959



From: Drew Oldis <doldis@spurenergy.com>

Sent: Thursday, October 23, 2025 2:42 PM

OCD-25727-Ex.3-51

To: jjohnson [wilsonjohnson.com](mailto:jjohnson@wilsonjohnson.com) <jjohnson@wilsonjohnson.com>

Subject: Re: EML, JLM, GLJ 2010 Trusts

Johnny,

Per our telephone call this morning, please see the response I received from Doug Lunsford regarding the ORRI burdens. Doug is a partner at Hinkle Shanor out in Roswell, New Mexico.

"Based upon the limited information submitted to us, I believe that both of the previously reserved 7.5% and 10.9375% overriding royalty interests are still valid. Further, in general, a segregated lease is subject to the same terms and provisions of the parent lease; however, since renewal leases are involved here, they stand on their own after issuance. Also, the 7.5% ORI reserved by V. L. Foster et al remains valid despite the fact that it was reserved when the original "a" lease d. 6/9/38 which it originally burdened, had a royalty of 5% as a reward for discovery. I believe this original (a) lease was renewed after its original 20-year term rather than exchanged and that the renewal lease had the same or similar royalty provisions to those in the below described 6/1/68 renewal lease."

Doug's response echoes what was previously conveyed to you from our title attorneys on our first phone call that the large ORRIs burdening the lease are valid and the NRI is not going to change.

Outside our phone call a month ago, a response to Spur's initial well proposal dated August 18, 2025, was never received and pooling proceedings were initiated as stated in the proposal. Due to Spur's preference to obtain voluntary agreements and forego pooling proceedings, please provide a counteroffer in response to the well proposal on behalf of your clients?

Thanks,

Drew Oldis

Senior Landman

SPUR ENERGY PARTNERS LLC

9655 Katy Freeway, Suite 500 | Houston, TX 77024

(832) 930-8502 (Main)

(832) 982-1081 (Office)

doldis@spurenergy.com



From: jjohnson [wilsonjohnson.com](mailto:jjohnson@wilsonjohnson.com) <jjohnson@wilsonjohnson.com>

Sent: Monday, September 22, 2025 5:13 PM

To: Drew Oldis <doldis@spurenergy.com>

Cc: Lynn Rizzo (lrizzocpa@att.net) <lrizzocpa@att.net>

Subject: FW: EML, JLM, GLJ 2010 Trusts

Drew,

From: jjohnson wilsonjohnson.com <jjohnson@wilsonjohnson.com>
Sent: Monday, December 1, 2025 1:52 PM
To: nash@spurepllc.com
Subject: Garrison 17 Fed Com 20H, 70H, and 90H; Eddy County, New Mexico

Nash,

I represent the EML, JLM and GLJ 2010 Trusts, as well as EMC Oil & Gas, Ltd., which collectively own the operating rights to 80 acres of Spur's proposed 120 acre unit for the above wells. I understand that you have contacted our New Mexico counsel about the pending status conference on December 18. They suggested I contact you to see if Spur would like to make a good faith offer to acquire a term assignment from my clients. To date, Spur has offered my clients an opportunity to participate in the wells, but has not made any other good faith offer. Your title opinion which was provided to me shows that my clients' NRI is 69.0625% but your offer for a term assignment required us to deliver a 75% NRI which you knew was impossible.

If you would like to make an offer for a term assignment based on the facts that exist, we would be interested in hearing from you. Also, please feel free to give me a call if you would like to discuss this matter in more detail.

Johnny B. Johnson
Wilson & Johnson, L.L.P.
2603 Augusta Dr., Suite 1150
Houston, Texas 77057
jjohnson@wilsonjohnson.com
Phone: (713) 781-7550
Cell: (713) 305-5959



From: jjohnson wilsonjohnson.com <jjohnson@wilsonjohnson.com>
Sent: Monday, December 1, 2025 3:42 PM
To: Ernest Padilla; Lynn Rizzo
Subject: RE: Referral

Ernie,

As you suggested, I spoke with Nash Bell with Spur today. I made clear to him that I was deferring to you on all New Mexico issues. He would still like to speak to you about the December 18th hearing, but unfortunately, I was not able to get any kind of offer from him to settle the matter.

Spur's position is that it cannot pay anything for a term assignment of our clients' lease because it is burdened with so much overriding royalty that the net revenue interest is 69.0625%. Spur feels that when combined with its 40-acre lease which has a much better net revenue interest, it can absorb the overrides on our clients' lease so that on a unit basis there will be a reasonable net revenue interest.

Spur's position is that they have made a fair and reasonable offer, and that it is not required to make an offer to purchase our heavily burdened lease. According to Nash Bell, our only alternatives are to either participate in the wells by signing the operating agreement previously provided, or be force pooled and subject to the penalty provided through the forced pooling mechanism. I let him know that our clients were not interested in paying approximately \$8M to drill the three proposed wells. He suggested that the clients could sign the operating agreement and go non-consent on the wells, but in my opinion the clients would be out on the same penalty and the clients would then be subject to the terms of the operating agreement which would include additional costs in the future and potential liabilities. With the same non-consent penalty, it seems to me the clients would be better served to be in the force pooled position, but I will defer to you on that. I think either way, our clients will never see a penny from these wells.

He suggested marketing our clients' interest to other non-operator purchasers, but I have run all of those traps I can, and have been told by any potential buyers that they are not interested in acquiring a lease with a 69.0625% NRI.

From my conversation with Nash Bell, it appears the only leverage we have is that we could save Spur the cost of a hearing by assigning our Lease to them. I thought that that would justify some offer, but he stated that Spur would have to go to the hearing anyway because of the overriding royalty owners, therefore they are not interested in making any kind of monetary offer.

As I said, Nash Bell would like to speak to you about the upcoming hearing. Also, I think I speak for the clients in looking to you for guidance on this matter. I do not think the clients are interested in throwing good money after bad, but if we have a reasonable chance of getting a decent offer out of Spur, I would be happy to take that approach. Nash Bell felt quite confident that we are not in a position to cause Spur any difficulty, and that Spur would be successful in obtaining the force pooling order.

I am copying Lynn Rizzo on this so that she can share this information with her clients, and I look forward to your guidance on this matter.

Johnny B. Johnson
Wilson & Johnson, L.L.P.
2603 Augusta Dr., Suite 1150
Houston, Texas 77057
jjohnson@wilsonjohnson.com