

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

**APPLICATION OF SPUR ENERGY
PARTNERS LLC TO RE-OPEN ORDER NO.
R-24036, EDDY COUNTY, NEW MEXICO.**

CASE NO. 26288

**APPLICATION OF LONGFELLOW
ENERGY LP TO EXTEND THE
DRILLING DEADLINE UNDER
ORDER NO. R-24036, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 26328

SPUR ENERGY PARTNERS LLC'S PRE-HEARING STATEMENT

Spur Energy Partners LLC ("Spur") (OGRID No. 328947), the applicant in the above-referenced case, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Spur Energy Partners LLC

ATTORNEY

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

OTHER PARTIES

Longfellow Energy LP

ATTORNEY

James P. Parrot
Miguel A. Suazo
Jacob L. Everhart
Ryan McKee
Raj K. Lahoti
Beatty & Wozniak, P.C
500 Don Gaspar Ave.
Santa Fe, NM 87505
(505) 946-2090

APPLICANT'S STATEMENT OF CASE

Spur seeks to re-open Division Order No. R-24036 ("Order") to require Longfellow Energy, LP ("Longfellow") to comply with the terms and requirements of the Order or amend the Order to reflect its revised drilling and development plans following Spur's objection to its notice of deviation from the Order, as required by Division guidance.

In Case No. 25572, Spur's interest was pooled into a standard 320-acre, more or less, horizontal spacing unit comprised of the S/2 of Section 31, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico (the "Unit"), and Longfellow (OGRID 372210) was designated as operator of the Unit. Spur holds a 37.511173% working interest in the Unit (a greater ownership stake than Longfellow's approximately 35.7% interest) making Spur the most significant non-operator interest owner pooled under the Order.

Under its initial well proposal and original development plan presented to the Division, Longfellow proposed to drill and complete nine initial wells "back to back": the Petty Federal Com 31CD 001H through 009H wells. The Division issued Order No. R-24036 on December 1, 2025, pooling Spur's interest and approving Longfellow's plan of development, designating all nine wells as initial wells under the Order. Paragraph 20

of the Order requires Longfellow to “commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.” This means all nine of Longfellow’s wells must be spud by December 1, 2026.

Spur relied on Longfellow’s representations of a nine-well, full-cube development plan targeting three separate benches within the Yeso Formation in a wine-rack configuration: 3 Paddock / 3 Upper Blinebry / 3 Lower Blinebry with a specific proposed internal spacing for each target bench. Spur did not contest the original application due to this reliance.

However, it has become apparent that Longfellow does not plan to drill all nine initial wells within the Order’s deadlines. Instead, it has drilled and completed just one well in a different target bench and with different internal spacing than originally proposed and approved by the Division under the Order. Longfellow appears to intend to drill the remaining eight approved initial wells sequentially in 2027, more than a year after the initial well was drilled. Spur’s understanding has now been confirmed through Longfellow’s application to amend the Order to extend the applicable deadlines in Case No. 26328.

Longfellow’s own communications confirm that it knew as early as October 2025, before the Order was even signed, that it intended to change the development plan, and as early as January 2026 that it planned to drill only one initial well, deferring the remaining wells to 2027. Longfellow waited until May 1, 2026 to issue a deviation notice, mischaracterized its substantial changes as a “minor deviation,” refused to set the matter

for hearing after Spur protested, and manufactured urgency around a purported BLM lease expiration that was subsequently confirmed to extend until May 2027.

The evidence presented at hearing will demonstrate that:

- Spur owns the most significant working interest in the S/2 of Section 31, Township 16 South, Range 31 East with a 37.511173% interest;
- Longfellow committed to a nine-well, back-to-back development plan targeting three Yeso Formation benches, and Spur relied on that commitment in choosing not to contest the original pooling application;
- Longfellow drilled and completed only the 006H well and changed the target formation without authorization in direct violation of the terms of the Order;
- Longfellow's internal communications confirm it knew of the deviation before the Order was issued and planned from early on to drill only one initial well;
- Longfellow's unilateral changes and delays in drilling the remaining approved initial wells are causing degradation of production and ultimate recovery from the Unit, impairing Spur's correlative rights protected under NMSA 1978, § 70-2-12;
- Longfellow knows how to present a proper phased development plan but chose not to; and
- Re-opening Division Order No. R-24036 to require Longfellow's compliance is the proper course of action and will uphold Division requirements, prevent waste, and protect correlative rights of all interested parties.

FILED EVIDENCE

Pursuant to the Prehearing Order entered for these consolidated matters, Spur has filed the following with this prehearing statement:

- Spur Exhibit A: Self-Affirmed Statement of Nash Bell, Landman
 - Spur Exhibit A-1 through A-15: Exhibits referenced by the testifying witness
- Spur Exhibit B: Self-Affirmed Statement of Matt Van Wie, Geologist
 - Spur Exhibit B-1: Exhibits referenced by the testifying witness

The qualifications and direct testimony for each witness are contained in the self-affirmed statements filed with this prehearing statement.

PROCEDURAL MATTERS

Spur reserves the right to call these or other witnesses, including rebuttal witnesses, to address issues that arise with the filing of additional information or at the hearing.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
agrarkin@hollandhart.com
pmvance@hollandhart.com
arstarnes@hollandhart.com

ATTORNEYS FOR SPUR ENERGY PARTNERS LLC

CERTIFICATE OF SERVICE

I hereby certify that on September 9, 2026, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

James P. Parrot
Miguel A. Suazo
Jacob L. Everhart
Ryan McKee
Raj K. Lahoti
Beatty & Wozniak, P.C.
500 Don Gaspar Ave.
Santa Fe, NM 87505
(505) 946-2090
jparrot@bwenergylaw.com
msuazo@bwenergylaw.com
jeverhart@bwenergylaw.com
rmckee@bwenergylaw.com
rlahoti@bwenergylaw.com

Attorneys for Longfellow Energy LP



Adam G. Rankin

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 622812

QUESTIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 622812
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.