



**Nirvana 1H-3H Wells  
Case Nos. 22049-22050  
NMOCD Exhibits**

**Hearing Date: Aug. 5<sup>th</sup>, 2021**

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

**APPLICATION OF SPUR ENERGY PARTNERS, LLC TO AMEND ORDER NOS. R-20642, R-20642-B, R-20642-C, & R-20642-D, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 22049**

**APPLICATION OF SPUR ENERGY PARTNERS, LLC TO AMEND ORDER NOS. R-20643, R-20643-A, & R-20643-C, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 22050**

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**Spur Exhibit B** – Affidavit of Rett Dalton, Land

**Spur Exhibit B-1** – Division Orders R-20642, R-20642-B, R-20642-C, & R-20642-D

**Spur Exhibit B-2** – Case No. 22049 C-102

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**Spur Exhibit B-6** – Well Proposal Letter

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

**APPLICATION OF SPUR ENERGY  
PARTNERS, LLC TO AMEND ORDER  
NOS. R-20642, R-20642-B, R-20642-C, &  
R-20642-D, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 22049**

**APPLICATION**

Spur Energy Partners, LLC (“Spur”) (OGRID No. 328947), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order Nos. R-20642, R-20642-B, R-20642-C, and R-20642-D (“Orders”) to pool additional interest owners under the Orders. In support of its application, Spur states:

1. Division Order No. R-20642, entered June 24, 2019, in Case No. 20191, created a 200-acre, more or less, standard horizontal oil spacing unit in the Penasco Draw; San Andres Yeso Pool (50270) underlying the S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (the “Unit”). An affiliate entity of Spur is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. The Order limited the pooled vertical depths from a stratigraphic equivalent of the top of the San Andres-Yeso formation at 2279 feet measured depth to a depth of 3,200 feet, as defined in the Gamma Ray-Neutron Log from the Len Mayer 1 Well (API No. 30-015-05926). The Order dedicated the spacing unit, subject to the pooled vertical limits, to the proposed initial **Nirvana #1H well** to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: August 05, 2021  
Case Nos. 22049-22050

3. Division Order No. R-20642-B, entered on July 22, 2020, in Case No. 21254, added the **Nirvana #2H well**, to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29, to the approved spacing unit pooled under the terms of Order No. R-20642.

4. Division Order No. R-20642-C, entered on January 19, 2021, in Case No. 21581, pooled additional interest owners under the terms of Order Nos. R-20642 and R-20642-B.

5. Division Order No. R-20642-D, entered on June 24, 2021, in Case No. 21938, extended the drilling deadline under the Orders to June 30, 2022.

6. Since the entry of the Orders, Spur has determined that there are additional interest owners in the Unit who were not provided notice of the hearings in the cases resulting in the issuance of the Orders, and as a result, whose interests were not pooled by the terms of the Orders.

7. Spur has sought and been unable to obtain voluntary agreement for the development of these lands from all of the interest owners in the subject spacing unit.

8. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

9. In order to permit Spur to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal spacing unit and the proposed initial wells.

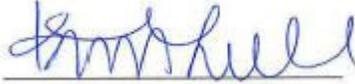
10. In order to permit Spur to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interest owners should be pooled in the Unit pursuant to the terms of the Orders.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 5, 2021, and, after notice and hearing as

required by law, the Division pool the additional interest owners pursuant to the terms of Order Nos. R-20642, R-20642-B, R-20642-C, and R-20642-D.

Respectfully submitted,

HOLLAND & HART LLP



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**ATTORNEYS FOR SPUR ENERGY PARTNERS, LLC**

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

**APPLICATION OF SPUR ENERGY  
PARTNERS, LLC TO AMEND  
ORDER NOS. R-20643, R-20643-B, &  
R-20643-C, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 22050**

**APPLICATION**

Spur Energy Partners, LLC (“Spur”) (OGRID No. 328947), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order Nos. R-20643, R-20643-B, and R-20643-C (“Orders”) to pool additional interest owners under the Orders. In support of its application, Spur states:

1. Division Order No. R-20643, entered June 24, 2019, in Case No. 20263, created a 200-acre, more or less, standard horizontal oil spacing unit in the Penasco Draw; San Andres Yeso Pool (50270) underlying the S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (the “Unit”). An affiliate entity of Spur is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. The Order limited the pooled vertical depths from a stratigraphic equivalent of a depth of 3,201 feet to the base of the Yeso formation at a stratigraphic equivalent of 4,460 feet measured depth, as defined in the Gamma Ray-Neutron Log from the Len Mayer 1 Well (API No. 30-015-05926). The Order dedicated the spacing unit, subject to the pooled vertical limits, to the proposed initial **Nirvana #3H well** to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29.
3. Division Order No. R-20643-B, entered on January 19, 2021, in Case No. 21582, pooled additional interest owners under the terms of Order No. R-20643.

4. Division Order No. R-20643-C, entered on June 24, 2021, in Case No. 21939, extended the drilling deadline under the Orders to June 30, 2022.

5. Since the entry of the Orders, Spur has determined that there are additional interest owners in the Unit who were not provided notice of the hearings in the cases resulting in the issuance of the Orders, and as a result, whose interests were not pooled by the terms of the Orders.

6. Spur has sought and been unable to obtain voluntary agreement for the development of these lands from all of the interest owners in the subject spacing unit.

7. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

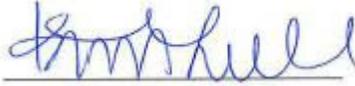
8. In order to permit Spur to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal spacing unit and the proposed initial wells.

9. In order to permit Spur to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interest owners should be pooled in the Unit pursuant to the terms of the Orders.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 5, 2021, and, after notice and hearing as required by law, the Division pool the additional interest owners pursuant to the terms of Order Nos. R-20643, R-20643-B, and R-20643-C.

Respectfully submitted,

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**ATTORNEYS FOR SPUR ENERGY PARTNERS, LLC**

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

APPLICATION OF SPUR ENERGY  
PARTNERS, LLC TO AMEND ORDER  
NOS. R-20642, R-20642-B, R-20642-C, &  
R-20642-D, EDDY COUNTY, NEW MEXICO.

CASE NO. 22049

APPLICATION OF SPUR ENERGY  
PARTNERS, LLC TO AMEND  
ORDER NOS. R-20643, R-20643-B, &  
R-20643-C, EDDY COUNTY, NEW MEXICO.

CASE NO. 22050

**AFFIDAVIT OF RETT DALTON**

Rett Dalton, of lawful age and being first duly sworn, declares as follows:

1. My name is Rett Dalton. I work for Spur Energy Partners, LLC (“Spur”) as a Senior Landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Spur in these cases, and I am familiar with the status of the subject lands in these cases
4. I do not anticipate any opposition to these consolidated cases or the presentation of these cases by affidavit.

**Case No. 22049**

5. In **Case No. 22049**, Spur seeks to pool additional interest owners under the terms of Order Nos. R-20642, R-20642-B, R-20642-C, and R-20642-D. Division Order Nos. R-20642, R-20642-B, R-20642-C, and R-20642-D are attached hereto as **Spur Exhibit B-1**.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: August 05, 2021  
Case Nos. 22049-22050

6. Division Order No. R-20642, entered June 24, 2019, in Case No. 20191, created a 200-acre, more or less, standard horizontal oil spacing unit in the Penasco Draw; San Andres Yeso Pool (50270) underlying the S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (the "Unit"). The Order limited the pooled vertical depths from a stratigraphic equivalent of the top of the San Andres-Yeso formation at 2279 feet measured depth to a depth of 3,200 feet, as defined in the Gamma Ray-Neutron Log from the **Len Mayer 1 Well** (API No. 30-015-05926).

7. The Order dedicated the spacing unit, subject to the pooled vertical limits, to the proposed initial **Nirvana #1H well** to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29.

8. Division Order No. R-20642-B, entered on July 22, 2020, in Case No. 21254, added the **Nirvana #2H well**, to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29, to the approved spacing unit pooled under the terms of Order No. R-20642.

9. **Spur Exhibit B-2** includes the C-102s for the **Nirvana #1H well** and the **Nirvana #2H well**.

10. Division Order No. R-20642-C, entered on January 19, 2021, in Case No. 21581, pooled additional interest owners under the terms of Order Nos. R-20642 and R-20642-B.

11. Division Order No. R-20642-D, entered on June 24, 2021, in Case No. 21938, extended the drilling deadline under the Orders to June 30, 2022.

12. Since the entry of Order Nos. R-20642, R-20642-B, R-20642-C, and R-20642-D, Spur has determined that there are additional unleased mineral interest owners in the Unit who

were not provided notice of the hearing in the prior cases, and as a result, whose interests were not pooled by the terms of Order Nos. R-20642, R-20642-B, R-20642-C, and R-20642-D.

**Case No. 22050**

13. In **Case No. 22050**, Spur seeks to pool additional interest owners under the terms of Order Nos. R-20643, R-20643-B, and R-20643-C. Division Order Nos. R-20643, R-20643-B, and R-20643-C are attached hereto as **Spur Exhibit B-3**.

14. Division Order No. R-20643, entered June 24, 2019, in Case No. 20263, created a 200-acre, more or less, standard horizontal oil spacing unit in the Penasco Draw; San Andres Yeso Pool (50270) underlying the S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (the "Unit"). The Order limited the pooled vertical depths from a stratigraphic equivalent of a depth of 3,201 feet to the base of the Yeso formation at a stratigraphic equivalent of 4,460 feet measured depth, as defined in the Gamma Ray-Neutron Log from the **Len Mayer 1 Well** (API No. 30-015-05926).

15. The Order dedicated the spacing unit, subject to the pooled vertical limits, to the proposed initial **Nirvana #3H well** to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29. **Spur Exhibit B-4** includes the C-102 for the **Nirvana #3H well**.

16. Division Order No. R-20643-B, entered on January 19, 2021, in Case No. 21582, pooled additional interest owners under the terms of Order No. R-20643.

17. Division Order No. R-20643-C, entered on June 24, 2021, in Case No. 21939, extended the drilling deadline under the Orders to June 30, 2022.

18. Since the entry of Order No. R-20643, R-20643-B, and R-20643-C, Spur has determined that there are additional unleased mineral interest owners in the Unit who were not

provided notice of the hearing in Case No. 20263, and as a result, whose interests were not pooled by the terms of Order No. R-20643.

19. **Spur Exhibit B-5** contains a plat outlining the units being pooled, identifies the tracts of land comprising the spacing units, and identifies the unleased mineral interests in each tract and their interest in the horizontal spacing units in **Case Nos. 22049-22050**. Spur has highlighted the “uncommitted” unleased mineral interest owners that remain to be pooled in these cases. The acreage in the unit includes only fee lands.

20. Spur sent a letter to each of the uncommitted interest owners in **Case Nos. 22049-22050** advising them of Spur’s intent to include their interests under the terms of Order No. R-20643. A copy of the letter is attached hereto as **Spur Exhibit B-6**. Spur respectfully requests that these additional interest owners be pooled pursuant to the terms of Order Nos. R-20642, R-20642-B, R-20642-C, and R-20642-D, and Order Nos. R-20643, R-20643-B, and R-20643-C.

21. **Spur Exhibit B-7** contains a chronology of the contacts with the uncommitted interest owners that Spur seeks to pool. In my opinion, Spur has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well.

22. **Spur Exhibits B-1 through B-7** were either prepared by me or compiled under my company’s direction or supervision.

FURTHER AFFIANT SAYETH NOT.



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

**IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION DIVISION TO  
CONSIDER:**

**CASE NO. 20191  
ORDER NO. R-20642**

**APPLICATION OF PERCUSSION PETROLEUM OPERATING, LLC FOR  
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on February 7, 2019, at Santa Fe, New Mexico, before Examiner Scott A. Dawson.

NOW, on this 24<sup>th</sup> day of June, 2019, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

**FINDS THAT**

(1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.

(2) Case Nos. 20191 and 20263 were consolidated at the hearing for the purpose of testimony and a single order is being issued for each case.

(3) The Applicant, Percussion Petroleum Operating, LLC seeks in this case to compulsory pool all uncommitted oil and gas interests within a spacing unit (“the Unit”) described as follows:

A Horizontal Spacing Unit (the “Unit”) comprising 200 acres (more or less) in the San Andres-Yeso (Assoc) formation, Penasco Draw; San Andres-Yeso (Assoc) Pool (Pool code 50270), comprising the S/2 S/2 of Section 28 and SE/4 SE/4 of Section 29, all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

Pooled vertical depths are limited to the depths from 3201 feet to the base of the Yeso.

(4) The Unit will be dedicated to the following “proposed well”. The completed interval for the proposed well within the Unit will be orthodox:

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B1  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: August 05, 2021  
Case Nos. 22049-22050

Case No. 20191  
Order No. R-20642  
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**Nirvana No. 1H, API No. 30-015-Pending**

SHL: 520 feet from the South line and 665 feet from the West line,  
(Unit M) of Section 27, Township 18 South, Range 26 East, NMPM.

BHL: 360 feet from the South line and 1306 feet from the East line,  
(Unit P) of Section 29, Township 18 South, Range 26 East, NMPM;

(5) The Penasco Draw; San Andres-Yeso Pool is governed by Division Rule 19.15.15.9(A) NMAC, which specifies 40-acre spacing and proration units [for vertical wells], each comprising a governmental quarter-quarter section.

(6) The allowed setback footage distance for the proposed horizontal Oil well(s) is specified in Paragraph (1) of Subsection C of 19.15.16.15 NMAC effective June 26, 2018. Said rules allow the first or last take points to be no closer than 100 feet to the nearest unit boundary, and the setbacks measured perpendicular to the well path to be a minimum of 330 feet from the outer boundary of the horizontal spacing unit.

(7) No other party entered an appearance in this case or otherwise opposed this application.

(8) Applicant appeared through counsel and presented the following land and technical evidence:

- (a) The San Andres-Yeso formation in this area is suitable for development by horizontal drilling.
- (b) The proposed orientation of the horizontal well from east to west is appropriate for optimum recovery of oil and gas.
- (c) A depth severance exists in the Yeso formation at 3200 feet. Accordingly, Percussion seeks to compulsory pool in Case No. 20191 from the top of the pool [at a stratigraphic equivalent of 2279 feet measured depth], as defined in the Gamma Ray-Neutron Log of the Len Mayer No. 1 Well (API No. 30-015-05926) to a depth of 3200 feet.
- (d) The depth severance was created by virtue of an assignment between two predecessors in interest. This document defines the depth severance due to a pugh clause for an old well, the Mallard HM #2 well. And the document creating the depth severance does define the depth as 3200 feet, as measured in the Mallard HM No. 2 Well (API No. 30-015-22052).
- (e) All owners of the mineral estate above and below the depth severance were notified of the proposed pooling. One overriding interest owner, Helen Holt, had mail returned to sender.

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- (f) In addition to parties the Applicant seeks to compulsory pool, the Applicant provided notice of these applications to the vertical offsets who were excluded from the spacing unit that the Applicant seeks to pool. All parties received notice of the pooling and the spacing unit and did not object to the Applicant's plan to pool only a portion of the pool in each case.
- (g) The cross-section submitted at the hearing depicts the Nirvana 1H target interval to be at 2765 feet true vertical feet which is approximately 435 feet above the depth severance at 3200 feet; therefore, the well will not impair correlative rights at 3200 feet or below the 3200-foot depth severance.
- (h) In addition, Applicant provided geologic testimony and exhibits indicating there are silts that act as a frac barriers in each of the two wells and the applicant opines in their affidavit that the silts will act as a frac barrier, preventing drainage from the other side of the depth severance line.
- (i) The proposed well(s) will not drain pressure from, produce oil or gas from, or otherwise affect, or be affected by, production from each other or the respective depth severance at 3200 feet.
- (j) Applicant testified and included in their affidavit statement that their current wells are each about 400 feet from the depth-severance line above and below, and they will not infill closer than those current proposed depths above and below without coming to hearing before the division.
- (k) All quarter-quarter sections to be included in the Unit are expected to be substantially productive in the San Andres-Yeso formation, so that the Unit as requested will not impair correlative rights.
- (l) Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instruments.
- (m) Those potentially affected parties whose whereabouts could not be ascertained were noticed by publication as provided in Rule 19.15.4.12.B NMAC.

The Division finds and concludes that

(9) The application in this case was filed, and the Well(s) were permitted, on or after the June 26, 2018 date on which amendments to 19.15.16.7 and 19.15.16.15 NMAC (prescribing new spacing rules for horizontal wells) became effective (see Order No. R-14689). Hence the

Case No. 20191  
Order No. R-20642  
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Well(s) must be spaced, permitted and drilled pursuant 19.15.16.15 NMAC, as amended effective June 26, 2018.

(10) Provided that the Unit constitutes a standard horizontal spacing unit for each of the Well(s) under now effective rules, no non-standard spacing unit approval is needed. If, however, the Unit is not a standard horizontal spacing unit for any of the Well(s), the operator must obtain approval of a non-standard horizontal spacing unit pursuant to 19.15.16.15.B(5) prior to producing such well(s). The Unit shall not be considered non-standard due to the depth limitations approved in this Order.

(11) The depth severance and upper limit of the interval to be pooled was described as follows in applicant's exhibits presented February 7, 2019:

A depth severance exists in the San Andres-Yeso formation at 3200 feet. Accordingly, Percussion seeks to compulsory pool from the top of the pool at a stratigraphic equivalent of 2279 feet measured depth, as defined in the Gamma Ray-Neutron Log of the Len Mayer No. 1 Well (API No. 30-015-05926) to a depth of 3200 feet.

(12) Applicant has presented evidence that the proposed horizontal well if drilled in the Penasco Draw; San Andres-Yeso (Assoc) Pool will not be in hydraulic contact with the interval in Penasco Draw; San Andres-Yeso (Assoc) Pool located below the 3200-foot depth severance.

(13) Applicant testified and included in their affidavit statement that their current wells are each about 400 feet from the depth-severance line above and below, and they will not infill closer than those current proposed depths above and below without coming to hearing before the division.

(14) Percussion Petroleum Operating, LLC (OGRID 371755) should be designated the operator of the Well(s) and of the Unit.

(15) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(16) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the Well(s) to a common source of supply within the Unit at the described depths and location(s).

(17) There are interest owners in the Unit that have not agreed to pool their interests.

(18) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas in the San Andres-Yeso formation within the Unit.

Case No. 20191  
Order No. R-20642  
Page 5 of 8

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(19) To ensure protection of correlative rights, any pooled working interest owner whose address is known, and who has elected to participate under the terms of this order should be notified before the Division grants any extension of the time provided herein for commencing drilling. Any such owner may file an application, with notice to the operator, requesting that the extension be denied.

(20) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(21) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the Well(s).

(22) Reasonable charges for supervision (combined fixed rates) should be fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates should be adjusted annually pursuant to the COPAS form titled "*Accounting Procedure-Joint Operations.*"

**IT IS THEREFORE ORDERED THAT**

(1) All uncommitted interests, whatever they may be, in the oil and gas within the following described spacing unit ("the Unit") are hereby pooled:

A Horizontal Spacing Unit comprising 200 acres (more or less) within the San Andres-Yeso formation (as it is described below) and in the Penasco Draw; San Andres-Yeso (Assoc) Pool (Pool code 50270) and all other pools hereafter defined within the San Andres-Yeso formation in the S/2 S/2 of Section 28 and the SE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

Pooled Interval: A stratigraphic equivalent of the top of the San Andres-Yeso at 2279 feet measured depth, as defined in the Gamma Ray-Neutron Log of the Len Mayer No. 1 Well (API No. 30-015-05926) to a depth of 3200 feet.

(2) The Unit shall be dedicated to the following "proposed well". The completed interval of the proposed well will be orthodox:

**Nirvana No. 1H, API No. 30-015-Pending**

SHL: 520 feet from the South line and 665 feet from the West line,  
(Unit M) of Section 27, Township 18 South, Range 26 East, NMPM.

BHL: 360 feet from the South line and 1306 feet from the East line,  
(Unit P) of Section 29, Township 18 South, Range 26 East, NMPM;

(3) Percussion Petroleum Operating, LLC (OGRID 371755) is hereby designated the operator of the Well(s) and Unit.

Case No. 20191  
Order No. R-20642  
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(4) If any of the Well(s) is completed at an unorthodox location under applicable rules in effect at the time such well is completed, the operator shall provide notice and apply administratively for a location exception prior to producing the well.

(5) The operator of the Unit shall commence drilling the proposed well on or before June 30, 2020 and shall thereafter continue drilling the proposed well with due diligence to test the San Andres-Yeso formation at or about the proposed true vertical and measured depths.

(6) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(7) In the event the operator does not commence completion operations within one year after commencement of drilling operations pursuant to this order, then the compulsory pooling provisions of this order shall be of no effect unless operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(8) The operator shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request. Such copy shall be sent at the same time the request is sent to the Director.

(9) Upon final plugging and abandonment of the Well(s) and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled unit created by this order shall terminate unless this order has been amended to authorize further operations.

(10) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(11) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit separate itemized schedules of estimated costs of drilling, completing and equipping each of the Well(s) ("well costs").

(12) Within 30 days from the date the schedule of estimated well costs for any well is furnished, any pooled working interest owner shall have the right to elect to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided. Payment shall be rendered within 90 days after expiration of the 30-day election period and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk

Case No. 20191  
Order No. R-20642  
Page 7 of 8

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charges to the extent computed based on costs of such well. Pooled working interest owners who do not elect to pay their share of estimated well costs, or who do not render timely payment to the operator, as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(13) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 180 days following completion of the proposed well. If no objection to the actual well costs for any well is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule for such well, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs for such well after public notice and hearing.

(14) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid for such well exceed its share of reasonable well costs.

(15) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

(a) the proportionate share of reasonable well costs attributable to the non-consenting working interest owner; and

(b) as a charge for the risk involved in drilling the well, 200% of the above costs.

(16) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs" reported pursuant to prior ordering paragraphs, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(17) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs for such well.

Case No. 20191  
Order No. R-20642  
Page 8 of 8

(18) Reasonable charges for supervision (combined fixed rates) are hereby fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates shall be adjusted annually pursuant to the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating of such well, not more than what are reasonable, attributable to pooled working interest owners.

(19) Except as provided in the foregoing paragraphs, all proceeds from production from the Well(s) that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not sooner disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(20) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(21) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(22) The operator of the wells and Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(23) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL  
Director

State of New Mexico  
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Secretary

Adrienne Sandoval, Director  
Oil Conservation Division



March 30, 2020

SEP Permian LLC (338479)  
[Previous: Percussion Petroleum Operating, LLC (OGRID 371755)]  
c/o Ms. Kaitlyn A. Luck, Attorney  
[KaLuck@hollandhart.com](mailto:KaLuck@hollandhart.com)  
110 N. Guadalupe Street, Suite 1  
Santa Fe, N.M. 87501

**RE: Request for Time Extension to Commence drilling**  
Case No. 20191, R-20642 approved date June 24<sup>th</sup>, 2019  
Deadline to commence drilling June 30, 2020  
Applicant/Operator: Percussion Petroleum Operating, LLC  
Proposed Well:  
Nirvana No.1 H, API No. 30-015-PENDING

Dear Sir or Madam:

The following pertains to your request received by the Division on March 30, 2020 and to the requirements in the captioned hearing order. You have requested an extension of the deadline to commence drilling given by the Division in the captioned order.

As stated, you are requesting an extension to spud these wells due to the change in the drilling plan in order to commence the drilling of these wells. There was no opposition in the captioned case. You are requesting an additional year in which to spud this well. The spud date is now extended to **June 30, 2021**.

Ordering Paragraph No. (5) and No. (6) of the captioned order is hereby amended, changing "June 30, 2020" to "June 30, 2021". The requested additional year in which to commence drilling is hereby granted.

All other provisions of this order remain in full force and effect.

Sincerely,

ADRIENNE SANDOVAL  
Director

AS/LRL

cc: Oil Conservation Division – Artesia District Office, Case No. 20191

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

**APPLICATION OF SPUR ENERGY PARTNERS, LLC  
TO AMEND ORDER R-20642 TO ADD AN  
ADDITIONAL WELL TO THE APPROVED  
HORIZONTAL WELL SPACING UNIT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 21254  
ORDER NO. R-20642-B**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on June 25, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. On June 24, 2019, OCD issued Order R-20642 to Spur Energy Partners, LLC (“Spur”) to pool the uncommitted oil and gas interests within the specified spacing unit (“Unit”).
2. Subsequent to the issuance of Order R-20642, Spur Energy Partners, LLC (“Operator”) succeeded to the interest of Percussion in the Unit.
3. Subsequent to the issuance of Order R-20642 Operator decided to add the Nirvana No. 2H Well (“Well”) to the Unit as described in Exhibit A.
4. Operator provided evidence that it gave notice of the Application and the hearing to the previously pooled interest owners.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well to a common source of supply at the depth and location in the Unit described in Exhibit A.

11. This Order affords to each owner of an uncommitted interest the opportunity to produce its just and equitable share of the oil or gas in the pool.

**ORDER**

12. The Well will now be dedicated to the Unit established by Order R-20642.

13. If the location of the well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.

14. The Operator shall commence drilling the Well within one year after the date of this Order, and complete the Well no later than one (1) year after the commencement of drilling the Well.

15. This Order shall terminate automatically if Operator fails to comply with Paragraph 14 unless Operator obtains an extension by an amendment of this Order for good cause shown.

16. Order R-20642 shall remain in full force and effect.

17. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL  
DIRECTOR**

AES/tgw

**Date:** 7/22/2020

## Exhibit A

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 21254</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b> June 25, 2020	
<b>Applicant</b>	Spur Energy Partners, LLC
<b>Designated Operator &amp; OGRID (affiliation if applicable)</b>	Spur Energy Partners, LLC
<b>Applicant's Counsel:</b>	Holland & Hart LLP
<b>Case Title:</b>	AMENDED APPLICATION OF SPUR ENERGY PARTNERS, LLC TO AMEND ORDER NO. R-20642 TO ADD AN ADDITIONAL WELL TO THE APPROVED HORIZONTAL WELL SPACING UNIT, EDDY COUNTY, NEW MEXICO.
<b>Entries of Appearance/Intervenors:</b>	None
<b>Well Family</b>	Nirvana
<b>Formation/Pool</b>	
<b>Formation Name(s) or Vertical Extent:</b>	San Andres-Yeso formation
<b>Primary Product (Oil or Gas):</b>	Oil
<b>Pooling this vertical extent:</b>	From a stratigraphic equivalent of the top of the San Andres-Yeso formation at 2279 feet measured depth to a depth of 3,200 feet, as defined in the Gamma Ray-Neutron Log from the Len Mayer 1 Well (API No. 30-015-05926).
<b>Pool Name and Pool Code:</b>	SE/4 SE/4 Sec. 29, T 18 S, R 26 E, is in the Penasco Draw; San Andres Yeso Pool (50270).  S/2 S/2 Sec. 28, T 18 S, R 26 E, is in the Atoka; Glorieta Yeso Pool (3250).
<b>Well Location Setback Rules:</b>	Statewide Oil Rules
<b>Spacing Unit Size:</b>	200 acres, more or less
<b>Spacing Unit</b>	
<b>Type (Horizontal/Vertical)</b>	Horizontal
<b>Size (Acres)</b>	200 acres, more or less
<b>Building Blocks:</b>	40 acres
<b>Orientation:</b>	East to West
<b>Description: TRS/County</b>	S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.
<b>Standard Horizontal Well Spacing Unit (Y/N), If No, describe</b>	Yes
<b>Other Situations</b>	
<b>Depth Severance: Y/N. If yes, description</b>	Yes; Depth severance exists at 3,200 feet as defined in the Gamma Ray-Neutron Log from the Len Mayer 1 Well (API No. 30-015-05926).
<b>Proximity Tracts: If yes, description</b>	None
<b>Proximity Defining Well: if yes, description</b>	N/A
<b>Applicant's Ownership in Each Tract</b>	Yes
<b>Well(s)</b>	
<b>Name &amp; API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)</b>	

CASE NO. 21254  
ORDER NO. R-20642-B

Page 3 of 5

Well #1	'Nirvana No. 1H Well (API No. pending): SHL: 520 FSL, 665 FWL (Unit M), Sec. 27, T 18 S, R 26 E, NMPM, Eddy County, New Mexico BHL: 360 FSL, 1306 FEL (Unit P), Sec. 29, T 18 S, R 26 E, NMPM, Eddy County, New Mexico. Standard location.
Well #2	Nirvana No. 2H Well (API No. pending): SHL: 560 FSL, 665 FWL (Unit M), Sec. 27, T 18 S, R 26 E, NMPM, Eddy County, New Mexico. BHL: 913 FSL, 1306 FEL (Unit P), Sec. 29, T 18 S, R 26 E, NMPM, Eddy County, New Mexico. Standard location.
Horizontal Well First and Last Take Points	Nirvana No. 1H Well: FTP: 360 FSL, 100 FEL Sec. 28, T 18 S, R 26 E, NMPM, Eddy County, New Mexico. LTP: 360 FSL, 1226 FEL, Sec. 29, T 18 S, R 26 E, NMPM, Eddy County, New Mexico.  Nirvana No. 2H Well: FTP: 910 FSL, 100 FEL FSL Sec. 28, T 18 S, R 26 E, NMPM, Eddy County, New Mexico. LTP: 913 FSL, 1227 FEL, Sec. 29, T 18 S, R 26 E, NMPM, Eddy County, New Mexico.
Completion Target (Formation, TVD and MD)	San Andres-Yeso formation
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$7,000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Order R-20642
Requested Risk Charge	200%; Order R-20642
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	See Amended Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	Exhibit A-3
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-3
Overhead Rates In Proposal Letter	Exhibit A
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
<b>Geology</b>	
Summary (including special considerations)	N/A

Spacing Unit Schematic	N/A
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	N/A
Target Formation	N/A
HSU Cross Section	N/A
Depth Severance Discussion	See Order R-20642
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-2
Tracts	S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	N/A
Well Bore Location Map	N/A
Structure Contour Map - Subsea Depth	N/A
Cross Section Location Map (including wells)	N/A
Cross Section (including Landing Zone)	N/A
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	9-Jul-20

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

**APPLICATION OF SPUR ENERGY PARTNERS, LLC,  
TO POOL AN ADDITIONAL WORKING INTEREST  
OWNER UNDER THE TERMS OF ORDER NO. R-20642  
AND R-20642-B, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 21581  
ORDER NO. R-20642-C**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on January 7, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. On June 24, 2019, OCD issued Order R-20642 to Spur Energy Partners, LLC (“Operator”), to pool the uncommitted oil and gas interests within the specified spacing unit (“Unit”). Division Order No. R-20642-B, entered on July 22, 2020, in Case No. 21254, added the Nirvana #2H well to the spacing unit.
2. Since the entry of Order Nos. R-20642 and R-20642-B, Spur has determined that there are additional interest owners in the Unit who were not provided notice of the either hearing in Case Nos. 20191 and 21254, and as a result, whose interests were not pooled by the terms of Order Nos. R-20642 and R-20642-B.
3. Operator provided evidence that it gave notice of the Application and the hearing to the previously unidentified interest owner.
4. Operator presented evidence through affidavits in support of the Application.
5. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

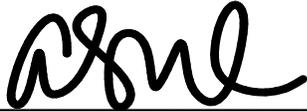
6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. The previously unidentified interest owner has not agreed to commit its interest to the Unit.

11. The pooling of the previously unidentified uncommitted interest in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
12. This Order affords to the previously unidentified interest owner the opportunity to produce its just and equitable share of the oil or gas in the pool.

**ORDER**

13. The previously unidentified uncommitted interest in the Unit is hereby pooled in the Unit.
14. Order R-20642 and R-20642-B shall otherwise remain in full force and effect.
15. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL  
DIRECTOR**  
AES/kms

**Date:** 1/19/2021

CASE NO. 21581  
ORDER NO. R-20642-C

Page 2 of 2

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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
SPUR ENERGY PARTNERS, LLC**

**CASE NO. 21938  
ORDER NO. R-20642-D**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on June 17, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. Spur Energy Partners, LLC (“Operator”) submitted an application (“Application”) requesting an extension to drill the well(s) as required by Order R-20642.
2. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice of the Application was given.
3. The Application was heard by the Hearing Examiner, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

4. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
5. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
6. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

**ORDER**

7. The period to drill the well is extended until June 30, 2022.
8. This Order shall terminate automatically if Operator fails to comply with Paragraph 7 unless prior to termination Operator applies, and OCD grants, to amend Order R-20642 for good cause shown.
9. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.
10. The remaining provisions of Order R-20642 remain in force or effect.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL  
DIRECTOR  
AES/jag

Date: 6/24/2021

CASE NO. 21938  
ORDER NO. R-20642-D

Page 2 of 2

State of New Mexico  
Energy, Minerals & Natural Resources Department

Revised August 1, 2011

OIL CONSERVATION DIVISION

Submit one copy to appropriate

1220 South St. Francis Dr.

District Office

Santa Fe, NM 87505

AMENDED REPORT

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name <b>NIRVANA</b>			6 Well Number <b>1H</b>
7 OGRID NO.		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3417'</b>

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>0</b>	<b>29</b>	<b>18S</b>	<b>26E</b>		<b>890</b>	<b>SOUTH</b>	<b>2075</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>28</b>	<b>18S</b>	<b>26E</b>		<b>410</b>	<b>SOUTH</b>	<b>50</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------	--------------------	-----------------------	--------------

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

16

GEODETIC DATA  
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)  
N: 623523.4 - E: 520070.8  
LAT: 32.7140876° N  
LONG: 104.4024794° W

FIRST TAKE POINT (FTP)  
410' FSL & 1221' FEL - SEC 29  
N: 623040.0 - E: 520922.5  
LAT: 32.7127604° N  
LONG: 104.3997093° W

LAST TAKE POINT (LTP)  
410' FSL & 100' FEL - SEC 28  
N: 623013.2 - E: 527357.8  
LAT: 32.7126960° N  
LONG: 104.3787859° W

BOTTOM HOLE (BH)  
N: 623013.0 - E: 527407.8  
LAT: 32.7126955° N  
LONG: 104.3786234° W

CORNER DATA  
NAD 83 GRID - NM EAST

G: CALCULATED CORNER  
N: 622625.1 - E: 522141.2

A: FOUND FENCE POST  
N: 622614.8 - E: 516841.1

H: FOUND 38" REBAR  
N: 622636.0 - E: 519499.8

B: CALCULATED CORNER  
N: 627902.6 - E: 516889.4

C: CALCULATED CORNER  
N: 627898.4 - E: 522165.5

D: FOUND NAIL  
N: 627894.1 - E: 527461.9

E: FOUND COTTON SPINDLE  
N: 625243.8 - E: 527459.8

F: FOUND REBAR  
N: 622603.2 - E: 527457.4

17 OPERATOR CERTIFICATION

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

18 SURVEYOR CERTIFICATION

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

**12-30-2020**  
Date of Survey

Signature and Seal of Professional Surveyor \_\_\_\_\_

**19680**  
Certificate Number

S 89°45'40" E (GRID) 6,437.00' (HORIZ.)

**LS20120847**

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
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District IV  
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Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name <b>NIRVANA</b>			6 Well Number <b>2H</b>
7 OGRID NO.		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3417'</b>

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>0</b>	<b>29</b>	<b>18S</b>	<b>26E</b>		<b>890</b>	<b>SOUTH</b>	<b>2095</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>28</b>	<b>18S</b>	<b>26E</b>		<b>913</b>	<b>SOUTH</b>	<b>50</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

16

GEODETIC DATA  
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)  
N: 623523.5 - E: 520050.8  
LAT: 32.7140877° N  
LONG: 104.4025444° W

FIRST TAKE POINT (FTP)  
913' FSL & 1221' FEL - SEC 29  
N: 623542.9 - E: 520925.0  
LAT: 32.7141426° N  
LONG: 104.3997023° W

LAST TAKE POINT (LTP)  
913' FSL & 100' FEL - SEC 28  
N: 623516.1 - E: 527358.2  
LAT: 32.7140782° N  
LONG: 104.3787853° W

BOTTOM HOLE (BH)  
N: 623515.9 - E: 527408.2  
LAT: 32.7140777° N  
LONG: 104.3786227° W

CORNER DATA  
NAD 83 GRID - NM EAST

G: CALCULATED CORNER  
N: 622625.1 - E: 522141.2

A: FOUND FENCE POST  
N: 622614.8 - E: 516841.1

H: FOUND 38" REBAR  
N: 622636.0 - E: 519499.8

B: CALCULATED CORNER  
N: 627902.6 - E: 516889.4

C: CALCULATED CORNER  
N: 627898.4 - E: 522165.5

D: FOUND NAIL  
N: 627894.1 - E: 527461.9

E: FOUND COTTON SPINDLE  
N: 625243.8 - E: 527459.8

F: FOUND REBAR  
N: 622603.2 - E: 527457.4

17 OPERATOR CERTIFICATION

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

18 SURVEYOR CERTIFICATION

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

**12-30-2020**  
Date of Survey

Signature and Seal of Professional Surveyor \_\_\_\_\_

**19680**  
Certificate Number

**LS20120848**

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

**IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION DIVISION TO  
CONSIDER:**

**CASE NO. 20263  
ORDER NO. R-20643**

**APPLICATION OF PERCUSSION PETROLEUM OPERATING, LLC FOR  
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on February 7, 2019, at Santa Fe, New Mexico, before Examiner Scott A. Dawson.

NOW, on this 24<sup>th</sup> day of June 2019, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

**FINDS THAT**

(1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.

(2) Case Nos. 20191 and 20263 were consolidated at the hearing for the purpose of testimony and a single order is being issued for each case.

(3) The Applicant, Percussion Petroleum Operating, LLC seeks in this case to compulsory pool all uncommitted oil and gas interests within a spacing unit (“the Unit”) described as follows:

A Horizontal Spacing Unit (the “Unit”) comprising 200 acres (more or less) in the San Andres-Yeso (Assoc) formation, Penasco Draw; San Andres-Yeso Pool (Pool code 50270), comprising the S/2 S/2 of Section 28 and SE/4 SE/4 of Section 29, all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

Pooled vertical depths are limited from a depth of 3201 feet to the base of the Yeso formation at a stratigraphic equivalent of a measured depth of 4460 feet as defined in the Gamma Ray-Neutron Log of the Len Mayer No. 1 Well (API No. 30-015-05926).

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B3  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: August 05, 2021  
Case Nos. 22049-22050

Case No. 20263  
Order No. R-20643  
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(4) The Unit will be dedicated to the following "proposed well". The completed interval for the proposed well within the Unit will be orthodox:

**Nirvana No. 3H, API No. 30-015-Pending**

SHL: 690 feet from the South line and 635 feet from the West line,  
(Unit M) of Section 27, Township 18 South, Range 26 East, NMPM.  
BHL: 410 feet from the South line and 1306 feet from the East line,  
(Unit P) of Section 29, Township 18 South, Range 26 East, NMPM;

(5) The Penasco Draw; San Andres-Yeso Pool is governed by Division Rule 19.15.15.9(A) NMAC, which specifies 40-acre spacing and proration units [for vertical wells], each comprising a governmental quarter-quarter section.

(6) The allowed setback footage distance for the proposed horizontal oil well(s) is specified in Paragraph (1) of Subsection C of 19.15.16.15 NMAC effective June 26, 2018. Said rules allow the first or last take points to be no closer than 100 feet to the nearest unit boundary, and the setbacks measured perpendicular to the well path to be a minimum of 330 from the outer boundary of the horizontal spacing unit.

(7) No other party entered an appearance in this case or otherwise opposed this application.

(8) Applicant appeared through counsel and presented the following land and technical evidence:

- (a) The San Andres-Yeso formation in this area is suitable for development by horizontal drilling.
- (b) The proposed orientation of the horizontal well from east to west is appropriate for optimum recovery of oil and gas.
- (c) A depth severance exists in the Yeso formation at 3200 feet. Accordingly, Percussion seeks to compulsory pool two subsets of the Pool:

(Case No. 20191) from the top of the pool [at a stratigraphic equivalent of 2279 feet measured depth], as defined in the Gamma Ray-Neutron Log of the Len Mayer No. 1 Well (API No. 30-015-05926) to a depth of 3200 feet, and

(Case No. 20263) from 3201 feet to the base of the Yeso at a stratigraphic equivalent of 4460 feet measured depth as defined in the same log.

- (d) The depth severance was created by virtue of an assignment between two predecessors in interest. This document defines the depth severance due to

Case No. 20263  
Order No. R-20643  
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a pugh clause for an old well, the Mallard HM #2 well. And the document creating the depth severance does define the depth as 3200 feet, as measured in the Mallard HM No. 2 Well (API No. 30-015-22052).

- (e) All owners of the mineral estate above and below the depth severance were notified of the proposed pooling. One overriding interest owner, Helen Holt, had mail returned to sender.
- (f) In addition to parties the Applicant seeks to compulsory pool, the Applicant provided notice of these applications to the vertical offsets who were excluded from the spacing unit that the Applicant seeks to pool. All parties received notice and did not object to the Applicant's plan to pool only a portion of the pool in each case.
- (g) The cross-section submitted at the hearing depicts the Nirvana 3H target interval to be at 3620 feet true vertical feet which is approximately 420 feet below the depth severance at 3200 feet; therefore, the well will not impair correlative rights at 3200 feet or above the 3200-foot depth severance.
- (h) In addition, Applicant provided geologic testimony and exhibits indicating there are silts that act as frac barriers in each of the two wells and the applicant opines in their affidavit that the silts will act as a frac barrier, preventing drainage from the other side of the depth severance line.
- (i) The proposed well(s) will not drain pressure from, produce oil or gas from, or otherwise affect, or be affected by, production from each other or the respective depth severance at 3200 feet.
- (j) Applicant testified and included in their affidavit statement that their current wells are each about 400 feet off of the depth-severance line above and below, and they will not infill closer than those current proposed depths above and below without coming to hearing before the division.
- (k) All quarter-quarter sections to be included in the Unit are expected to be substantially productive in the San Andres-Yeso formation, so that the Unit as requested will not impair correlative rights.
- (l) Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instruments.

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Order No. R-20643  
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- (m) Those potentially affected parties whose whereabouts could not be ascertained were noticed by publication as provided in Rule 19.15.4.12.B NMAC.

The Division finds and concludes that

(9) The application in this case was filed, and the Well(s) were permitted, on or after the June 26, 2018 date on which amendments to 19.15.16.7 and 19.15.16.15 NMAC (prescribing new spacing rules for horizontal wells) became effective (see Order No. R-14689). Hence the Well(s) must be spaced, permitted and drilled pursuant 19.15.16.15 NMAC, as amended effective June 26, 2018.

(10) Provided that the Unit constitutes a standard horizontal spacing unit for each of the Well(s) under now effective rules, no non-standard spacing unit approval is needed. If, however, the Unit is not a standard horizontal spacing unit for any of the Well(s), the operator must obtain approval of a non-standard horizontal spacing unit pursuant to 19.15.16.15.B(5) prior to producing such well(s). The Unit shall not be considered non-standard due to the depth limitations approved in this Order.

(11) The depth severance and lower limit of the interval to be pooled was described as follows in applicant's exhibits presented February 7, 2019:

A depth severance exists in the San Andres-Yeso formation at 3200 feet. Accordingly, Percussion seeks to compulsory pool from 3201 feet measured depth, as defined in the Gamma Ray-Neutron Log of the Len Mayer No. 1 Well (API No. 30-015-05926) to a depth of 4460 feet.

(12) Applicant has presented evidence that the proposed horizontal well if drilled in the Penasco Draw; San Andres-Yeso (Assoc) Pool will not be in hydraulic contact with the interval in Penasco Draw; San Andres-Yeso (Assoc) Pool located above the 3200-foot depth severance.

(13) Applicant testified and included in their affidavit statement that their current wells are each about 400 feet off of the depth-severance line above and below, and they will not infill closer than those current proposed depths above and below without coming to hearing before the division.

(14) Percussion Petroleum Operating, LLC (OGRID 371755) should be designated the operator of the Well(s) and of the Unit.

(15) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(16) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the Well(s) to a common source of supply within the Unit at the described depths and location(s).

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Order No. R-20643  
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(17) There are interest owners in the Unit that have not agreed to pool their interests.

(18) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas in the San Andres-Yeso formation within the Unit.

(19) To ensure protection of correlative rights, any pooled working interest owner whose address is known, and who has elected to participate under the terms of this order should be notified before the Division grants any extension of the time provided herein for commencing drilling. Any such owner may file an application, with notice to the operator, requesting that the extension be denied.

(20) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(21) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the Well(s).

(22) Reasonable charges for supervision (combined fixed rates) should be fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates should be adjusted annually pursuant to the COPAS form titled "*Accounting Procedure-Joint Operations.*"

**IT IS THEREFORE ORDERED THAT**

(1) All uncommitted interests, whatever they may be, in the oil and gas within the following described spacing unit ("the Unit") are hereby pooled:

A Horizontal Spacing Unit comprising 200 acres (more or less) within the San Andres-Yeso formation (as it is described below) and in the Penasco Draw; San Andres-Yeso (Assoc) (Pool code 50270) and all other pools hereafter defined within the San Andres-Yeso formation in the S/2 S/2 of Section 28 and the SE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

Pooled Interval: A stratigraphic equivalent from 3201 feet measured depth, as defined in the Gamma Ray-Neutron Log of the Len Mayer No. 1 Well (API No. 30-015-05926) to a depth of 4460 feet.

(2) The Unit shall be dedicated to the following "proposed well". The completed interval of the proposed well will be orthodox:

Case No. 20263  
Order No. R-20643  
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**Nirvana No. 3H, API No. 30-015-Pending**

SHL: 690 feet from the South line and 635 feet from the West line,  
(Unit M) of Section 27, Township 18 South, Range 26 East, NMPM.

BHL: 410 feet from the South line and 1306 feet from the East line,  
(Unit P) of Section 29, Township 18 South, Range 26 East, NMPM;

(3) Percussion Petroleum Operating, LLC (OGRID 371755) is hereby designated the operator of the Well(s) and Unit.

(4) If any of the Well(s) is completed at an unorthodox location under applicable rules in effect at the time such well is completed, the operator shall provide notice and apply administratively for a location exception prior to producing the well.

(5) The operator of the Unit shall commence drilling the proposed well on or before June 30, 2020 and shall thereafter continue drilling the proposed well with due diligence to test the San Andres-Yeso formation at or about the proposed true vertical and measured depths.

(6) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(7) In the event the operator does not commence completion operations within one year after commencement of drilling operations pursuant to this order, then the compulsory pooling provisions of this order shall be of no effect unless operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(8) The operator shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request. Such copy shall be sent at the same time the request is sent to the Director.

(9) Upon final plugging and abandonment of the Well(s) and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled unit created by this order shall terminate unless this order has been amended to authorize further operations.

(10) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(11) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each

Case No. 20263  
Order No. R-20643  
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known pooled working interest owner in the Unit separate itemized schedules of estimated costs of drilling, completing and equipping each of the Well(s) ("well costs").

(12) Within 30 days from the date the schedule of estimated well costs for any well is furnished, any pooled working interest owner shall have the right to elect to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided. Payment shall be rendered within 90 days after expiration of the 30-day election period and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges to the extent computed based on costs of such well. Pooled working interest owners who do not elect to pay their share of estimated well costs, or who do not render timely payment to the operator, as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(13) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 180 days following completion of the proposed well. If no objection to the actual well costs for any well is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule for such well, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs for such well after public notice and hearing.

(14) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid for such well exceed its share of reasonable well costs.

(15) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

- (a) the proportionate share of reasonable well costs attributable to the non-consenting working interest owner; and
- (b) as a charge for the risk involved in drilling the well, 200% of the above costs.

(16) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs" reported pursuant to prior ordering paragraphs, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division,

Case No. 20263  
Order No. R-20643  
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and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(17) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs for such well.

(18) Reasonable charges for supervision (combined fixed rates) are hereby fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates shall be adjusted annually pursuant to the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating of such well, not more than what are reasonable, attributable to pooled working interest owners.

(19) Except as provided in the foregoing paragraphs, all proceeds from production from the Well(s) that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not sooner disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(20) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(21) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(22) The operator of the wells and Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(23) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Case No. 20263  
Order No. R-20643  
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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

A handwritten signature in blue ink, appearing to read "AS" or "Adrienne Sandoval".

ADRIENNE SANDOVAL  
Director

State of New Mexico  
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Secretary

Adrienne Sandoval, Director  
Oil Conservation Division



March 30, 2020

SEP Permian LLC (338479)  
[Previous: Percussion Petroleum Operating, LLC (OGRID 371755)]  
c/o Ms. Kaitlyn A. Luck, Attorney  
[KaLuck@hollandhart.com](mailto:KaLuck@hollandhart.com)  
110 N. Guadalupe Street, Suite 1  
Santa Fe, N.M. 87501

**RE: Request for Time Extension to Commence drilling**  
Case No. 20263, R-20643 approved date June 24<sup>th</sup>, 2019  
Deadline to commence drilling June 30, 2020  
Applicant/Operator: Percussion Petroleum Operating, LLC  
Proposed Well:  
Nirvana No. 3H, API No. 30-015-PENDING

Dear Sir or Madam:

The following pertains to your request received by the Division on March 30, 2020 and to the requirements in the captioned hearing order. You have requested an extension of the deadline to commence drilling given by the Division in the captioned order.

As stated, you are requesting an extension to spud these wells due to the change in the drilling plan in order to commence the drilling of these wells. There was no opposition in the captioned case. You are requesting an additional year in which to spud this well. The spud date is now extended to **June 30, 2021**.

Ordering Paragraph No. (5) and No. (6) of the captioned order is hereby amended, changing "June 30, 2020" to "June 30, 2021". The requested additional year in which to commence drilling is hereby granted.

All other provisions of this order remain in full force and effect.

Sincerely,

ADRIENNE SANDOVAL  
Director

AS/LRL

cc: Oil Conservation Division – Hobbs District Office, Case No. 20263

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

**APPLICATION OF SPUR ENERGY PARTNERS, LLC,  
TO POOL AN ADDITIONAL WORKING INTEREST  
OWNER UNDER THE TERMS OF ORDER NO. R-20643  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 21582  
ORDER NO. R-20643-A**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on January 7, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. On June 24, 2019, OCD issued Order R-20643 in Case No. 20263 to Spur Energy Partners, LLC (“Operator”), to pool the uncommitted oil and gas interests within the specified spacing unit (“Unit”).
2. Since the entry of Order Nos. R-20643, Operator has determined that there are additional interest owners in the Unit who were not provided notice of the either hearing in Case No. 20263, and as a result, whose interests were not pooled by the terms of Order No. R-20643.
3. Operator provided evidence that it gave notice of the Application and the hearing to the previously unidentified interest owner.
4. Operator presented evidence through affidavits in support of the Application.
5. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. The previously unidentified interest owner has not agreed to commit its interest to the Unit.

11. The pooling of the previously unidentified uncommitted interest in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
12. This Order affords to the previously unidentified interest owner the opportunity to produce its just and equitable share of the oil or gas in the pool.

**ORDER**

13. The previously unidentified uncommitted interest in the Unit is hereby pooled in the Unit.
14. Order R-20643 shall otherwise remain in full force and effect.
15. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL  
DIRECTOR**  
AES/kms

**Date:** 1/19/2021

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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
SPUR ENERGY PARTNERS, LLC**

**CASE NO. 21939  
ORDER NO. R-20643-C**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on June 17, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. Spur Energy Partners, LLC (“Operator”) submitted an application (“Application”) requesting an extension to drill the well(s) as required by Order R-20643.
2. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice of the Application was given.
3. The Application was heard by the Hearing Examiner, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

4. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
5. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
6. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

**ORDER**

7. The period to drill the well is extended until June 30, 2022.
8. This Order shall terminate automatically if Operator fails to comply with Paragraph 7 unless prior to termination Operator applies, and OCD grants, to amend Order R-20643 for good cause shown.
9. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.
10. The remaining provisions of Order R-20643 remain in force or effect.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL  
DIRECTOR  
AES/jag

Date: 6/24/2021

CASE NO. 21939  
ORDER NO. R-20643-C

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District I  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone: (575) 393-6161 Fax: (575) 393-0720  
 District II  
 811 S. First St., Artesia, NM 88210  
 Phone: (575) 748-1283 Fax: (575) 748-9720  
 District III  
 1000 Rio Brazos Road, Aztec, NM 87410  
 Phone: (505) 334-6178 Fax: (505) 334-6170  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505  
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
 Energy, Minerals & Natural Resources Department  
 OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name <b>NIRVANA</b>			6 Well Number <b>3H</b>
7 OGRID NO.		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3417'</b>

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>0</b>	<b>29</b>	<b>18S</b>	<b>26E</b>		<b>890</b>	<b>SOUTH</b>	<b>2115</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>28</b>	<b>18S</b>	<b>26E</b>		<b>360</b>	<b>SOUTH</b>	<b>50</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------	--------------------	-----------------------	--------------

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

16

GEODETIC DATA  
 NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)  
 N: 623523.6 - E: 520030.8  
 LAT: 32.7140879° N  
 LONG: 104.4026094° W

FIRST TAKE POINT (FTP)  
 360' FSL & 1221' FEL - SEC 29  
 N: 622990.0 - E: 520922.2  
 LAT: 32.7126230° N  
 LONG: 104.3997100° W

LAST TAKE POINT (LTP)  
 360' FSL & 100' FEL - SEC 28  
 N: 622963.2 - E: 527357.8  
 LAT: 32.7125586° N  
 LONG: 104.3787860° W

BOTTOM HOLE (BH)  
 N: 622963.0 - E: 527407.8  
 LAT: 32.7125580° N  
 LONG: 104.3786235° W

CORNER DATA  
 NAD 83 GRID - NM EAST

G: CALCULATED CORNER  
 N: 622625.1 - E: 522141.2

A: FOUND FENCE POST  
 N: 622614.8 - E: 516841.1

H: FOUND 38" REBAR  
 N: 622636.0 - E: 519499.8

B: CALCULATED CORNER  
 N: 627902.6 - E: 516889.4

C: CALCULATED CORNER  
 N: 627898.4 - E: 522165.5

D: FOUND NAIL  
 N: 627894.1 - E: 527461.9

E: FOUND COTTON SPINDLE  
 N: 625243.8 - E: 527459.8

F: FOUND REBAR  
 N: 622603.2 - E: 527457.4

17 OPERATOR CERTIFICATION

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

18 SURVEYOR CERTIFICATION

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

**12-30-2020**  
 Date of Survey

Signature and Seal of Professional Surveyor \_\_\_\_\_

**19680**  
 Certificate Number

S 89°45'40" E (GRID) 6,437.21' (HORIZ.)

LS20120849

NIRVANA #1H & #2H Wells, CASE NO. 22049  
 200 Acres  
 NIRVANA #3H Well, CASE NO. 22050  
 200 Acres  
 Township 18 South, Range 26 East  
 Section 28: S/2 S/2  
 Section 29: SE/4 SE/4  
 Eddy County, NM

	Section 29		Section 28
		Tract 1	Tract 2
		SEP Permian LLC 100%	SEP Permian LLC 58.727723%
			UMIs 41.272277%
			Tract 3
			Tract 4
			SEP Permian LLC 100%
			SEP Permian LLC 9.027777%
			UMIs 90.972223%

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. B5  
 Submitted by: Spur Energy Partners, LLC  
 Hearing Date: August 05, 2021  
 Case Nos. 22049-22050

**NIRVANA - TRACT/DSU WORKING INTEREST SUMMARY**

TRACT NUMBER	LOCATION	SECTION	ACRES
TRACT 1	SE/4 SE/4	29-18S-26E	40
TRACT 2	S/2 SW/4	28-18S-26E	80
TRACT 3	SW/4 SE/4	28-18S-26E	40
TRACT 4	SE/4 SE/4	28-18S-26E	40
			<b>200</b>

Parties to be pooled are highlighted in YELLOW

TRACT 1	Interest Type	WI	Gross Ac	Net Ac
SEP Permian LLC	WI	1.00000000	40	40
<b>TOTAL</b>		<b>1.00000000</b>	<b>40</b>	<b>40</b>

TRACT 2	Interest Type	WI	Gross Ac	Net Ac
SEP Permian LLC	WI	0.58727723	80	46.9821784
Ocotillo Production LLC	UMI	0.07072299	[2]	5.6578392
McCaw Properties LLC	UMI	0.05657839	[2]	4.5262712
Eddie M. Mahfood and Valerie Ann Mahfood, as joint tenants with rights of survivorship	UMI	0.04243380	[2]	3.394704
Carol Morgan	UMI	0.04243379	[2]	3.3947032
Scott E. Wilson and Cynthia M. Wilson, his wife as joint tenants with rights of survivorship	UMI	0.04243379	[2]	3.3947032
Van Winkle Family, LLC	UMI	0.02828920	[2]	2.263136
Haley A. Harper	UMI	0.00891110	[2]	0.712888
Juanel Harper	UMI	0.00678941	[2]	0.5431528
Carolyn S. Curtis	UMI	0.00630517	[2]	0.5044136
Michael S. Curtis	UMI	0.00630517	[2]	0.5044136
Estate of Beatrice V. Cook, Deceased c/o Marilyn Cook Wagner	UMI	0.00630517	[2]	0.5044136
James Carson	UMI	0.00594073	[2]	0.4752584
EOG Resources, Inc.	UMI	0.00594073	[2]	0.4752584
Estate of Timothy Joe Watson, Dec'd c/o Cynthia H. Wescott	UMI	0.08333333	[2]	6.6666664
<b>TOTAL</b>		<b>1.00000000</b>	<b>80</b>	<b>80.0000</b>

TRACT 3	Interest Type	WI	Gross Ac	Net Ac
SEP Permian LLC	WI	1.00000000	40	40
<b>TOTAL</b>		<b>1.00000000</b>	<b>40</b>	<b>40.0000</b>

TRACT 4	Interest Type	WI	Gross Ac	Net Ac
SEP Permian LLC	WI	0.09027777	40	3.6111108
Jack H. White (Sr.) and Frankie M. White Revocable Trust c/o Beverly M. White and Western Commerce Bank Co-Trustees	UMI	0.50000000	[4]	20
Estate of William K. Douglas, Dec'd c/o Janeen M. Counts	UMI	0.16666667	[4]	6.6666668
Richard W. Gillett	UMI	0.08333334	[4]	3.3333336
Sharbro Holdings LLC	UMI	0.06250000	[4]	2.5
H. Brooks Travis, II	UMI	0.04166667	[4]	1.6666668
Claire Halsell	UMI	0.00925926	[4]	0.3703704
Elizabeth Nelms	UMI	0.00925926	[4]	0.3703704
Charlie Deanna Nelms	UMI	0.00925926	[4]	0.3703704
Phillip Tell Fry	UMI	0.00694444	[4]	0.2777776
EOG Resources, Inc.	UMI	0.02083333	[4]	0.8333332
<b>TOTAL</b>		<b>1.00000000</b>	<b>40</b>	<b>40.0000</b>

NIRVANA DSU RECAPITULATION		
	Net Ac	DSU WI%
SEP Permian LLC	130.593289	65.296645%
Ocotillo Production LLC	5.65783920	2.828920%
McCaw Properties LLC	4.5262712	2.263136%
Eddie M. Mahfood and Valerie Ann Mahfood, as joint tenants with rights of survivorship	3.394704	1.697352%
Carol Morgan	3.3947032	1.697352%
Scott E. Wilson and Cynthia M. Wilson, his wife as joint tenants with rights of survivorship	3.3947032	1.697352%
Van Winkle Family, LLC	2.263136	1.131568%
Haley A. Harper	0.712888	0.356444%
Juanel Harper	0.5431528	0.271576%
Carolyn S. Curtis	0.5044136	0.252207%
Michael S. Curtis	0.5044136	0.252207%
Estate of Beatrice V. Cook, Deceased c/o Marilyn Cook Wagner	0.5044136	0.252207%
James Carson	0.4752584	0.237629%
EOG Resources, Inc.	1.3085916	0.654296%
Estate of Timothy Joe Watson, Dec'd c/o Cynthia H. Wescott	6.6666664	3.333333%
Jack H. White (Sr.) and Frankie M. White Revocable Trust c/o Beverly M. White and Western Commerce Bank Co-Trustees	20	10.000000%
Estate of William K. Douglas, Dec'd c/o Janeen M. Counts	6.6666668	3.333333%
Richard W. Gillett	3.3333336	1.666667%
Sharbro Holdings LLC	2.5	1.250000%
H. Brooks Travis, II	1.6666668	0.833333%
Claire Halsell	0.37037040	0.185185%
Elizabeth Nelms	0.37037040	0.185185%
Charlie Deanna Nelms	0.37037040	0.185185%
Phillip Tell Fry	0.27777760	0.138889%
	<b>200</b>	<b>100.000000%</b>



May 6, 2021

**RE: Well Proposal  
Nirvana 1H, 2H and 3H  
S2/S2 Section 28 & SE/SE Section 29, T18S-R26E  
Eddy County, New Mexico**

Dear Unleased Mineral Interest Owner,

SEP Permian LLC ("SPUR"), an affiliate of Spur Energy Partners LLC, hereby proposes to drill and complete **Nirvana 1H, 2H and 3H** 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).

**Nirvana 1H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 890' FSL & 2075' FEL, Section 29, T18S-R26E
- Proposed Bottom Hole Location – 410' FSL & 50' FEL, Section 28, T19S-R25E
- TVD: 2765'

**Nirvana 2H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 890' FSL & 2095' FEL, Section 29, T18S-R26E
- Proposed Bottom Hole Location – 913' FSL & 50' FEL, Section 28, T19S-R25E
- TVD: 2650'

**Nirvana 3H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 890' FSL & 2115' FEL, Section 29, T18S-R26E
- Proposed Bottom Hole Location – 360' FSL & 50' FEL, Section 28, T19S-R25E
- TVD: 3620'

Spur proposes to form a Drilling Spacing Unit ("DSU") covering the **S2/S2 Section 28 & SE/SE Section 29, T18S-R26E**, Eddy County, New Mexico, containing 200 acres of land, more or less, from the top of the Yeso formation to the base of the Yeso formation. Portions of these lands are likely governed by existing Joint Operating Agreements ("JOAs") which also cover the Yeso formation and which 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 creating a new joint operating agreement dated June 1, 2021, ("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 and operations within the DSU. The NJOA has the following general provisions:

- Effective Date of June 1, 2021
- Contract Area consisting of **S2/S2 Section 28 & SE/SE Section 29, T18S-R26E**
- Limited in depth from the top of the Yeso to the base of the Yeso formation
- 100%/300%/300% non-consenting penalty
- \$7,000/\$700 drilling and producing monthly overhead rate
- Spur Energy Partners LLC named as Operator

**SPUR ENERGY PARTNERS LLC** 9655 KATY FREEWAY, SUITE 500 | HOUSTON, TX 77024 | 832.930.8502  
WWW.SPUREPLLC.COM

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. B6  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: August 05, 2021  
Case Nos. 22049-22050



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 – Lease Option:** Execute an Oil and Gas Lease ("OGL") based upon a price of **\$500 per net mineral acre** (proportionately reduced to your Yeso formation ownership), 1/5th royalty, and three (3) year primary term (limited to the Yeso formation), and as long thereafter as production is obtained in paying quantities and upon approval of marketable and defensible title.

Should you elect Option 1 or Option 2, SPUR will send the NJOA for your review and execution. If you prefer to review the NJOA prior to making an election, please request a copy by email and SPUR will supply you the NJOA. In the event you elect to lease your minerals under the terms outlined above in the Option 3 – Lease Option, please indicate this by signing the enclosed Lease Election page. Upon receipt, SPUR will submit an Oil and Gas Lease to you for your review and execution.

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 the Subject Wells in the spaces provided below and execute and return a copy of this letter to the undersigned within 30 days of receipt of this proposal. Should you have any questions regarding this proposal, please contact me via email at [matthew@caliberlandman.com](mailto:matthew@caliberlandman.com), or you can reach me via telephone at (713) 522-4547.

Sincerely,

A handwritten signature in black ink that reads "Matthew W. Grisell".

Matthew W. Grisell  
Contract Landman

Enclosures

Exhibit "A"  
AFEs



**Nirvana 1H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the Nirvana 1H 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 Nirvana 1H 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 \_\_\_\_\_, 2021.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Nirvana 2H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Nirvana 2H** 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 **Nirvana 2H** 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 \_\_\_\_\_, 2021.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Nirvana 3H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the Nirvana 3H 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 Nirvana 3H 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 \_\_\_\_\_, 2021.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Option 3 – Lease Option**

\_\_\_\_\_ The undersigned hereby elects to enter into an OGL covering their unleased minerals in the **S2/S2 Section 28 & SE/SE Section 29, T18S-R26E**, upon approval of marketable and defensible title, with SEP Permian LLC for a bonus consideration of \$500 per net mineral acre (proportionately reduced to your Yeso formation ownership), 1/5th royalty and three (3) year primary term (limited to the Yeso formation).

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

<u>Nirvana DSU</u> <u>S2/S2 Sec 28 and SE/SE Sec 29, 18S-26E</u> <u>Unleased Mineral Ownership</u> <u>Exhibit "A"</u>				
<u>Interest Owner</u>	<u>Interest Type</u>	<u>Tract</u>	<u>STR</u>	<u>Mineral Interest</u>
Ocotillo Production LLC PO BOX 93638 ALBUQUERQUE, NM 87199	UMI	S2/SW	28-18S-26E	0.07072299
Thomas Ray Smith 5818 DOMINION RIDGE CIRCLE SAN ANGELO, TEXAS 76904	UMI	S2/SW	28-18S-26E	0.05657840
McCaw Properties LLC PO BOX 376 ARTESIA, NM 88211	UMI	S2/SW	28-18S-26E	0.05657839
Patricia Louise Book 6234 E PRESIDIO MESA, AZ 85215	UMI	S2/SW	28-18S-26E	0.04243380
Eddie M. Mahfood and Valerie Ann Mahfood, as joint tenants with rights of survivorship 3014 BARRYWOOD WICHITA FALLS, TX 76309	UMI	S2/SW	28-18S-26E	0.04243380
Carole Morgan 101 BRIDGEWATER CIRCLE MIDLAND, TEXAS 79707	UMI	S2/SW	28-18S-26E	0.04243379
Scott E. Wilson and Cynthia M. Wilson, his wife as joint tenants with rights of survivorship 4601 MIRADOR DR. AUSTIN, TEXAS 78735	UMI	S2/SW	28-18S-26E	0.04243379
Tex Zia Properties, Ltd. PO BOX 261427 PLANO, TX 75026-1427	UMI	S2/SW	28-18S-26E	0.02837326
Van Winkle Family, LLC 9191 YELLOWSTONE ROAD LONGMONT, CO 80503	UMI	S2/SW	28-18S-26E	0.02828920
COG Operating LLC 600 W ILLINOIS MIDLAND, TX 79701	UMI	S2/SW	28-18S-26E	0.02695461
Concho Oil & Gas LLC 600 W ILLINOIS MIDLAND, TX 79701	UMI	S2/SW	28-18S-26E	0.00141866
Haley A. Harper 2805 BRIDLETON AVE N LAS VEGAS, NV 89081-6582	UMI	S2/SW	28-18S-26E	0.00891110
Melanie R. Harper 1403 W RUNYAN ARTESIA, NM 88210	UMI	S2/SW	28-18S-26E	0.00891110
Juanel Harper 2103 W CENTRE AVE ARTESIA, NM 88210	UMI	S2/SW	28-18S-26E	0.00678941
Carolyn S. Curtis LOT 57 141 STATE HIGHWAY 224 COMMERCE, TX 75428-2170	UMI	S2/SW	28-18S-26E	0.00630517
Michael S. Curtis PO BOX 218 GLORIETA, NM 87535	UMI	S2/SW	28-18S-26E	0.00630517
Estate of Beatrice V. Cook, Deceased c/o Marilyn Cook Wagner 719 LA FONDA DR. ROSWELL, NM 88201	UMI	S2/SW	28-18S-26E	0.00630517
James Carson PO BOX 1761 LOWELL, AR 72745-1761	UMI	S2/SW	28-18S-26E	0.00594073
EOG Resources, Inc. 104 SOUTH FOURTH STREET ARTESIA, NM 88210	UMI	S2/SW	28-18S-26E	0.00594073
Jami Harl, a/k/a Jami P. Furgason 2485 E 54TH ST TULSA, OK 74105-7201	UMI	S2/SW	28-18S-26E	0.00594073
Ferguson Family Trust created by Trust Agreement dated November 17, 2003 PO BOX 847 MESILLA PARK, NM 88047	UMI	S2/SW	28-18S-26E	0.16666667

Cynthia Helen Wescott, a/k/a Cynthia H. Watson 429 Bason Dr. Las Cruces, NM 88005	UMI	S2/SW	28-18S-26E	0.08333334
Estate of Timothy Joe Watson, Dec'd c/o Cynthia H. Wescott 429 BASON DR. LAS CRUCES, NM 88005	UMI	S2/SW	28-18S-26E	0.08333333
LaDonna M. K. Fincham 36 KUKUAU ST. HILO, HI 96720	UMI	S2/SW	28-18S-26E	0.05208333
Jacqueline K. Saucedo - Boysen 1421 AVE N GALVESTON, TEXAS 77550	UMI	S2/SW	28-18S-26E	0.05208333
Barbara J. Austen 6928 LASKER DR. GALVESTON, TEXAS 77551	UMI	S2/SW	28-18S-26E	0.03125000
Sherry A. Black 63 LEBRUN COURT GALVESTON, TEXAS 77551	UMI	S2/SW	28-18S-26E	0.03125000
Jack H. White (Sr.) and Frankie M. White Revocable Trust c/o BEVERLY M WHITE AND WESTERN COMMERCE BANK CO-TRUSTEES PO BOX 1358 CARLSBAD,NM 88221-1358	UMI	SE/SE	28-18S-26E	0.50000000
Estate of William K. Douglas, Dec'd c/o Janeen M. Counts P.O. BOX 1450 TIJERAS, NM 87059	UMI	SE/SE	28-18S-26E	0.16666667
Richard W. Gillett 6720 E GREEN LAKE WAY N, APT. 502 SEATTLE, WA 98103	UMI	SE/SE	28-18S-26E	0.08333334
Sharbro Holdings LLC P.O. BOX 840 ARTESIA, NM 88211	UMI	SE/SE	28-18S-26E	0.06250000
EOG Resources, Inc. 104 SOUTH FOURTH STREET ARTESIA, NM 88210	UMI	SE/SE	28-18S-26E	0.02083333
H. Brooks Travis, II 10 CANTATA DR. MISSION VIEJO, CA 92692	UMI	SE/SE	28-18S-26E	0.04166666
Patricia Ann Conner 14931 RIO RANCHO WAY HELOTES,TX 78023-4702	UMI	SE/SE	28-18S-26E	0.04166667
Jonell Jones Howell 9626 Sugar Hill Drive, Apt. B AUSTIN, TX 78748	UMI	SE/SE	28-18S-26E	0.02777778
Claire Halsell 1601 W Ave I LOVINGTON, NM 88260	UMI	SE/SE	28-18S-26E	0.00925926
Elizabeth Nelms 1404 S 16th ST LOVINGTON, NM 88260	UMI	SE/SE	28-18S-26E	0.00925926
Charlie Deanna Nelms 1506 W Ave M LOVINGTON, NM 88260	UMI	SE/SE	28-18S-26E	0.00925926
Phillip E. Fry 401 N 26th ST, # 1 ARTESIA, NM 88210	UMI	SE/SE	28-18S-26E	0.00694444
Phillip Tell Fry 401 N 26th ST, # 1 ARTESIA, NM 88210	UMI	SE/SE	28-18S-26E	0.00694444
Heather J. Fry Sanford 1103 N. Guadalupe ST CARLSBAD, NM 88220	UMI	SE/SE	28-18S-26E	0.00694444
Leslie M. Butts 605 S 14th ST ARTESIA, NM 88210	UMI	SE/SE	28-18S-26E	0.00694444

## SEP Permian LLC AUTHORITY FOR EXPENDITURE

AFE NO.:	D19073	COMPANY	
AFE DESC:	NIRVANA 1H	DIVISION	
DATE:	12/10/2019	OPERATOR:	
AFE TYPE:	DRILL COMPLETE AND EQUIP	102 - SEP PERMIAN,	
GROSS/NET:	GROSS	LLC	

DETAIL OF EXPENDITURES	DRYHOLE	COMPLETION	EQUIP-TIE	SUPPLEMENT	TOTAL	ACTUAL
LOCATION/DAMAGES-LAND		10,000.00	0.00		10,000.00	
TOTAL:		10,000.00	0.00		10,000.00	
TITLE WORK/OPINIONS - LAND		133,000.00	0.00		133,000.00	
TOTAL:		133,000.00	0.00		133,000.00	
DAMAGES/ROW - LAND		83,667.00	0.00		83,667.00	
TOTAL:		83,667.00	0.00		83,667.00	
DRILLING RENTALS: SURFACE		65,000.00	0.00		65,000.00	
TOTAL:		65,000.00	0.00		65,000.00	
DRILLING RENTALS: SUBSURFACE		36,000.00	0.00		36,000.00	
TOTAL:		36,000.00	0.00		36,000.00	
DRILL MUD & COMPL FLUID		30,000.00	0.00		30,000.00	
TOTAL:		30,000.00	0.00		30,000.00	
WELLSITE SUPERVISION		39,000.00	0.00		39,000.00	
TOTAL:		39,000.00	0.00		39,000.00	
GROUND TRANSPORT		15,000.00	0.00		15,000.00	
TOTAL:		15,000.00	0.00		15,000.00	
CONTRACT DRILLING (DAY RATE/TUF		195,000.00	0.00		195,000.00	
TOTAL:		195,000.00	0.00		195,000.00	
DIRECTIONAL TOOLS AND SERVICES		110,500.00	0.00		110,500.00	
TOTAL:		110,500.00	0.00		110,500.00	
FLUID & CUTTINGS DISPOSAL		85,000.00	0.00		85,000.00	
TOTAL:		85,000.00	0.00		85,000.00	
FRAC TANK RENTALS		1,300.00	0.00		1,300.00	
TOTAL:		1,300.00	0.00		1,300.00	
BITS		35,000.00	0.00		35,000.00	
TOTAL:		35,000.00	0.00		35,000.00	
CONTINGENCIES		96,180.00	0.00		96,180.00	
TOTAL:		96,180.00	0.00		96,180.00	
FUEL, WATER & LUBE		39,000.00	0.00		39,000.00	
TOTAL:		39,000.00	0.00		39,000.00	
CEMENT		105,000.00	0.00		105,000.00	
TOTAL:		105,000.00	0.00		105,000.00	
CASING CREWS AND LAYDOWN SER		30,000.00	0.00		30,000.00	
TOTAL:		30,000.00	0.00		30,000.00	
MUD LOGGER		13,000.00	0.00		13,000.00	
TOTAL:		13,000.00	0.00		13,000.00	
MOB/DEMOB RIG		50,000.00	0.00		50,000.00	
TOTAL:		50,000.00	0.00		50,000.00	
VACUUM TRUCKING		15,000.00	0.00		15,000.00	
TOTAL:		15,000.00	0.00		15,000.00	
DRILLPIPE INSPECTION		10,000.00	0.00		10,000.00	
TOTAL:		10,000.00	0.00		10,000.00	
CONTRACT LABOR/SERVICES		35,000.00	0.00		35,000.00	
TOTAL:		35,000.00	0.00		35,000.00	
SURFACE CASING		22,815.00	0.00		22,815.00	
TOTAL:		22,815.00	0.00		22,815.00	
PRODUCTION/LINER CASING		137,620.00	0.00		137,620.00	
TOTAL:		137,620.00	0.00		137,620.00	
CONDUCTOR PIPE		25,000.00	0.00		25,000.00	
TOTAL:		25,000.00	0.00		25,000.00	
WELLHEAD		10,000.00	0.00		10,000.00	
TOTAL:		10,000.00	0.00		10,000.00	
LINER HANGER/CASING ACCESSORY		15,000.00	0.00		15,000.00	
TOTAL:		15,000.00	0.00		15,000.00	
EQUIP RENT		175,000.00	0.00		175,000.00	
TOTAL:		175,000.00	0.00		175,000.00	
DRILL MUD & COMPL FLUID		350,000.00	0.00		350,000.00	

## SEP Permian LLC

### AUTHORITY FOR EXPENDITURE

AFE NO.:	D19073	COMPANY	
AFE DESC:	NIRVANA 1H	DIVISION	
DATE:	12/10/2019	OPERATOR:	
AFE TYPE:	DRILL COMPLETE AND EQUIP	102 - SEP PERMIAN,	
GROSS/NET:	GROSS	LLC	

<b>TOTAL:</b>	<b>350,000.00</b>	<b>0.00</b>	<b>350,000.00</b>
WELLSITE SUPERVISION	44,000.00	0.00	44,000.00
<b>TOTAL:</b>	<b>44,000.00</b>	<b>0.00</b>	<b>44,000.00</b>
GROUND TRANSPORT	10,000.00	0.00	10,000.00
<b>TOTAL:</b>	<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>
CASED HOLE WIRELINE	160,000.00	0.00	160,000.00
<b>TOTAL:</b>	<b>160,000.00</b>	<b>0.00</b>	<b>160,000.00</b>
FRAC/FLUID SW DISPOSAL	10,000.00	0.00	10,000.00
<b>TOTAL:</b>	<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>
FRAC TANK RENTALS	9,000.00	0.00	9,000.00
<b>TOTAL:</b>	<b>9,000.00</b>	<b>0.00</b>	<b>9,000.00</b>
FLOWBACK	8,000.00	0.00	8,000.00
<b>TOTAL:</b>	<b>8,000.00</b>	<b>0.00</b>	<b>8,000.00</b>
BITS	1,000.00	0.00	1,000.00
<b>TOTAL:</b>	<b>1,000.00</b>	<b>0.00</b>	<b>1,000.00</b>
CONTINGENCIES	151,000.00	0.00	151,000.00
<b>TOTAL:</b>	<b>151,000.00</b>	<b>0.00</b>	<b>151,000.00</b>
SPECIALIZED SERVICE	30,000.00	0.00	30,000.00
<b>TOTAL:</b>	<b>30,000.00</b>	<b>0.00</b>	<b>30,000.00</b>
STIMULATION AND PUMPING SERVIC	990,000.00	0.00	990,000.00
<b>TOTAL:</b>	<b>990,000.00</b>	<b>0.00</b>	<b>990,000.00</b>
FUEL, WATER & LUBE	260,000.00	0.00	260,000.00
<b>TOTAL:</b>	<b>260,000.00</b>	<b>0.00</b>	<b>260,000.00</b>
COMPLETION/WORKOVER (RIG)	48,000.00	0.00	48,000.00
<b>TOTAL:</b>	<b>48,000.00</b>	<b>0.00</b>	<b>48,000.00</b>
CONTRACT LABOR/SERVICES	30,000.00	0.00	30,000.00
<b>TOTAL:</b>	<b>30,000.00</b>	<b>0.00</b>	<b>30,000.00</b>
SITE PREPARATION	10,000.00	0.00	10,000.00
<b>TOTAL:</b>	<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>
INSTALLATION & LABOR EXPENSES (I	90,000.00	0.00	90,000.00
<b>TOTAL:</b>	<b>90,000.00</b>	<b>0.00</b>	<b>90,000.00</b>
BATTERY CONSTRUCTION LABOR	70,000.00	0.00	70,000.00
<b>TOTAL:</b>	<b>70,000.00</b>	<b>0.00</b>	<b>70,000.00</b>
TUBING	60,000.00	0.00	60,000.00
<b>TOTAL:</b>	<b>60,000.00</b>	<b>0.00</b>	<b>60,000.00</b>
TUBING HEAD/XMAS TREE	15,000.00	0.00	15,000.00
<b>TOTAL:</b>	<b>15,000.00</b>	<b>0.00</b>	<b>15,000.00</b>
PUMPING & LIFTING EQUIP	50,000.00	0.00	50,000.00
<b>TOTAL:</b>	<b>50,000.00</b>	<b>0.00</b>	<b>50,000.00</b>
SEP, DEHY, TREATERS, HEAT EXCHA	57,000.00	0.00	57,000.00
<b>TOTAL:</b>	<b>57,000.00</b>	<b>0.00</b>	<b>57,000.00</b>
MEASUREMENT EQUIP	23,000.00	0.00	23,000.00
<b>TOTAL:</b>	<b>23,000.00</b>	<b>0.00</b>	<b>23,000.00</b>
LEASE AND FLOW LINES	11,000.00	0.00	11,000.00
<b>TOTAL:</b>	<b>11,000.00</b>	<b>0.00</b>	<b>11,000.00</b>
MISC FITTINGS & SUPPLIES	135,000.00	0.00	135,000.00
<b>TOTAL:</b>	<b>135,000.00</b>	<b>0.00</b>	<b>135,000.00</b>
TANKS (OIL & WATER)	53,000.00	0.00	53,000.00
<b>TOTAL:</b>	<b>53,000.00</b>	<b>0.00</b>	<b>53,000.00</b>
<b>TOTAL THIS AFE:</b>	<b>4,292,082.00</b>	<b>0.00</b>	<b>4,292,082.00</b>

## SEP Permian LLC

### AUTHORITY FOR EXPENDITURE

AFE NO.:	D19074	COMPANY	
AFE DESC:	NIRVANA 2H	DIVISION	
DATE:	12/10/2019	OPERATOR:	
AFE TYPE:	DRILL COMPLETE AND EQUIP	102 - SEP PERMIAN,	
GROSS/NET:	GROSS	LLC	

DETAIL OF EXPENDITURES	DRYHOLE	COMPLETION	EQUIP-TIE	SUPPLEMENT	TOTAL	ACTUAL
LOCATION/DAMAGES-LAND		10,000.00	0.00		10,000.00	
<b>TOTAL:</b>		<b>10,000.00</b>	<b>0.00</b>		<b>10,000.00</b>	
TITLE WORK/OPINIONS - LAND		133,000.00	0.00		133,000.00	
<b>TOTAL:</b>		<b>133,000.00</b>	<b>0.00</b>		<b>133,000.00</b>	
DAMAGES/ROW - LAND		83,667.00	0.00		83,667.00	
<b>TOTAL:</b>		<b>83,667.00</b>	<b>0.00</b>		<b>83,667.00</b>	
DRILLING RENTALS: SURFACE		65,000.00	0.00		65,000.00	
<b>TOTAL:</b>		<b>65,000.00</b>	<b>0.00</b>		<b>65,000.00</b>	
DRILLING RENTALS: SUBSURFACE		36,000.00	0.00		36,000.00	
<b>TOTAL:</b>		<b>36,000.00</b>	<b>0.00</b>		<b>36,000.00</b>	
DRILL MUD & COMPL FLUID		30,000.00	0.00		30,000.00	
<b>TOTAL:</b>		<b>30,000.00</b>	<b>0.00</b>		<b>30,000.00</b>	
WELLSITE SUPERVISION		39,000.00	0.00		39,000.00	
<b>TOTAL:</b>		<b>39,000.00</b>	<b>0.00</b>		<b>39,000.00</b>	
GROUND TRANSPORT		15,000.00	0.00		15,000.00	
<b>TOTAL:</b>		<b>15,000.00</b>	<b>0.00</b>		<b>15,000.00</b>	
CONTRACT DRILLING (DAY RATE/TUF		195,000.00	0.00		195,000.00	
<b>TOTAL:</b>		<b>195,000.00</b>	<b>0.00</b>		<b>195,000.00</b>	
DIRECTIONAL TOOLS AND SERVICES		110,500.00	0.00		110,500.00	
<b>TOTAL:</b>		<b>110,500.00</b>	<b>0.00</b>		<b>110,500.00</b>	
FLUID & CUTTINGS DISPOSAL		85,000.00	0.00		85,000.00	
<b>TOTAL:</b>		<b>85,000.00</b>	<b>0.00</b>		<b>85,000.00</b>	
FRAC TANK RENTALS		1,300.00	0.00		1,300.00	
<b>TOTAL:</b>		<b>1,300.00</b>	<b>0.00</b>		<b>1,300.00</b>	
BITS		35,000.00	0.00		35,000.00	
<b>TOTAL:</b>		<b>35,000.00</b>	<b>0.00</b>		<b>35,000.00</b>	
CONTINGENCIES		96,180.00	0.00		96,180.00	
<b>TOTAL:</b>		<b>96,180.00</b>	<b>0.00</b>		<b>96,180.00</b>	
FUEL, WATER & LUBE		39,000.00	0.00		39,000.00	
<b>TOTAL:</b>		<b>39,000.00</b>	<b>0.00</b>		<b>39,000.00</b>	
CEMENT		105,000.00	0.00		105,000.00	
<b>TOTAL:</b>		<b>105,000.00</b>	<b>0.00</b>		<b>105,000.00</b>	
CASING CREWS AND LAYDOWN SER		30,000.00	0.00		30,000.00	
<b>TOTAL:</b>		<b>30,000.00</b>	<b>0.00</b>		<b>30,000.00</b>	
MUD LOGGER		13,000.00	0.00		13,000.00	
<b>TOTAL:</b>		<b>13,000.00</b>	<b>0.00</b>		<b>13,000.00</b>	
MOB/DEMOB RIG		50,000.00	0.00		50,000.00	
<b>TOTAL:</b>		<b>50,000.00</b>	<b>0.00</b>		<b>50,000.00</b>	
VACUUM TRUCKING		15,000.00	0.00		15,000.00	
<b>TOTAL:</b>		<b>15,000.00</b>	<b>0.00</b>		<b>15,000.00</b>	
DRILLPIPE INSPECTION		10,000.00	0.00		10,000.00	
<b>TOTAL:</b>		<b>10,000.00</b>	<b>0.00</b>		<b>10,000.00</b>	
CONTRACT LABOR/SERVICES		35,000.00	0.00		35,000.00	
<b>TOTAL:</b>		<b>35,000.00</b>	<b>0.00</b>		<b>35,000.00</b>	
SURFACE CASING		22,815.00	0.00		22,815.00	
<b>TOTAL:</b>		<b>22,815.00</b>	<b>0.00</b>		<b>22,815.00</b>	
PRODUCTION/LINER CASING		137,620.00	0.00		137,620.00	
<b>TOTAL:</b>		<b>137,620.00</b>	<b>0.00</b>		<b>137,620.00</b>	
CONDUCTOR PIPE		25,000.00	0.00		25,000.00	
<b>TOTAL:</b>		<b>25,000.00</b>	<b>0.00</b>		<b>25,000.00</b>	
WELLHEAD		10,000.00	0.00		10,000.00	
<b>TOTAL:</b>		<b>10,000.00</b>	<b>0.00</b>		<b>10,000.00</b>	
LINER HANGER/CASING ACCESSORY		15,000.00	0.00		15,000.00	
<b>TOTAL:</b>		<b>15,000.00</b>	<b>0.00</b>		<b>15,000.00</b>	
EQUIP RENT		175,000.00	0.00		175,000.00	
<b>TOTAL:</b>		<b>175,000.00</b>	<b>0.00</b>		<b>175,000.00</b>	
DRILL MUD & COMPL FLUID		350,000.00	0.00		350,000.00	

### SEP Permian LLC AUTHORITY FOR EXPENDITURE

AFE NO.:	D19074		COMPANY	
AFE DESC:	NIRVANA 2H		DIVISION	
DATE:	12/10/2019	OPERATOR:		
AFE TYPE:	DRILL COMPLETE AND EQUIP	102 - SEP PERMIAN,		
GROSS/NET:	GROSS	LLC		
<b>TOTAL:</b>		<b>350,000.00</b>	<b>0.00</b>	<b>350,000.00</b>
WELLSITE SUPERVISION		44,000.00	0.00	44,000.00
<b>TOTAL:</b>		<b>44,000.00</b>	<b>0.00</b>	<b>44,000.00</b>
GROUND TRANSPORT		10,000.00	0.00	10,000.00
<b>TOTAL:</b>		<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>
CASED HOLE WIRELINE		160,000.00	0.00	160,000.00
<b>TOTAL:</b>		<b>160,000.00</b>	<b>0.00</b>	<b>160,000.00</b>
FRAC/FLUID SW DISPOSAL		10,000.00	0.00	10,000.00
<b>TOTAL:</b>		<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>
FRAC TANK RENTALS		9,000.00	0.00	9,000.00
<b>TOTAL:</b>		<b>9,000.00</b>	<b>0.00</b>	<b>9,000.00</b>
FLOWBACK		8,000.00	0.00	8,000.00
<b>TOTAL:</b>		<b>8,000.00</b>	<b>0.00</b>	<b>8,000.00</b>
BITS		1,000.00	0.00	1,000.00
<b>TOTAL:</b>		<b>1,000.00</b>	<b>0.00</b>	<b>1,000.00</b>
CONTINGENCIES		151,000.00	0.00	151,000.00
<b>TOTAL:</b>		<b>151,000.00</b>	<b>0.00</b>	<b>151,000.00</b>
SPECIALIZED SERVICE		30,000.00	0.00	30,000.00
<b>TOTAL:</b>		<b>30,000.00</b>	<b>0.00</b>	<b>30,000.00</b>
STIMULATION AND PUMPING SERVIC		990,000.00	0.00	990,000.00
<b>TOTAL:</b>		<b>990,000.00</b>	<b>0.00</b>	<b>990,000.00</b>
FUEL, WATER & LUBE		260,000.00	0.00	260,000.00
<b>TOTAL:</b>		<b>260,000.00</b>	<b>0.00</b>	<b>260,000.00</b>
COMPLETION/WORKOVER (RIG)		48,000.00	0.00	48,000.00
<b>TOTAL:</b>		<b>48,000.00</b>	<b>0.00</b>	<b>48,000.00</b>
CONTRACT LABOR/SERVICES		30,000.00	0.00	30,000.00
<b>TOTAL:</b>		<b>30,000.00</b>	<b>0.00</b>	<b>30,000.00</b>
SITE PREPARATION		10,000.00	0.00	10,000.00
<b>TOTAL:</b>		<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>
INSTALLATION & LABOR EXPENSES (I		90,000.00	0.00	90,000.00
<b>TOTAL:</b>		<b>90,000.00</b>	<b>0.00</b>	<b>90,000.00</b>
BATTERY CONSTRUCTION LABOR		70,000.00	0.00	70,000.00
<b>TOTAL:</b>		<b>70,000.00</b>	<b>0.00</b>	<b>70,000.00</b>
TUBING		60,000.00	0.00	60,000.00
<b>TOTAL:</b>		<b>60,000.00</b>	<b>0.00</b>	<b>60,000.00</b>
TUBING HEAD/XMAS TREE		15,000.00	0.00	15,000.00
<b>TOTAL:</b>		<b>15,000.00</b>	<b>0.00</b>	<b>15,000.00</b>
PUMPING & LIFTING EQUIP		50,000.00	0.00	50,000.00
<b>TOTAL:</b>		<b>50,000.00</b>	<b>0.00</b>	<b>50,000.00</b>
SEP, DEHY, TREATERS, HEAT EXCHA		57,000.00	0.00	57,000.00
<b>TOTAL:</b>		<b>57,000.00</b>	<b>0.00</b>	<b>57,000.00</b>
MEASUREMENT EQUIP		23,000.00	0.00	23,000.00
<b>TOTAL:</b>		<b>23,000.00</b>	<b>0.00</b>	<b>23,000.00</b>
LEASE AND FLOW LINES		11,000.00	0.00	11,000.00
<b>TOTAL:</b>		<b>11,000.00</b>	<b>0.00</b>	<b>11,000.00</b>
MISC FITTINGS & SUPPLIES		135,000.00	0.00	135,000.00
<b>TOTAL:</b>		<b>135,000.00</b>	<b>0.00</b>	<b>135,000.00</b>
TANKS (OIL & WATER)		53,000.00	0.00	53,000.00
<b>TOTAL:</b>		<b>53,000.00</b>	<b>0.00</b>	<b>53,000.00</b>
<b>TOTAL THIS AFE:</b>		<b>4,292,082.00</b>	<b>0.00</b>	<b>4,292,082.00</b>

## SEP Permian LLC

### AUTHORITY FOR EXPENDITURE

AFE NO.:	D19075	COMPANY	
AFE DESC:	NIRVANA 3H	DIVISION	
DATE:	12/10/2019	OPERATOR:	
AFE TYPE:	DRILL COMPLETE AND EQUIP	102 - SEP PERMIAN,	
GROSS/NET:	GROSS	LLC	

DETAIL OF EXPENDITURES	DRYHOLE	COMPLETION	EQUIP-TIE	SUPPLEMENT	TOTAL	ACTUAL
LOCATION/DAMAGES-LAND		10,000.00	0.00		10,000.00	
<b>TOTAL:</b>		<b>10,000.00</b>	<b>0.00</b>		<b>10,000.00</b>	
TITLE WORK/OPINIONS - LAND		133,000.00	0.00		133,000.00	
<b>TOTAL:</b>		<b>133,000.00</b>	<b>0.00</b>		<b>133,000.00</b>	
DAMAGES/ROW - LAND		83,667.00	0.00		83,667.00	
<b>TOTAL:</b>		<b>83,667.00</b>	<b>0.00</b>		<b>83,667.00</b>	
DRILLING RENTALS: SURFACE		105,000.00	0.00		105,000.00	
<b>TOTAL:</b>		<b>105,000.00</b>	<b>0.00</b>		<b>105,000.00</b>	
DRILLING RENTALS: SUBSURFACE		60,000.00	0.00		60,000.00	
<b>TOTAL:</b>		<b>60,000.00</b>	<b>0.00</b>		<b>60,000.00</b>	
DRILL MUD & COMPL FLUID		30,000.00	0.00		30,000.00	
<b>TOTAL:</b>		<b>30,000.00</b>	<b>0.00</b>		<b>30,000.00</b>	
WELLSITE SUPERVISION		63,000.00	0.00		63,000.00	
<b>TOTAL:</b>		<b>63,000.00</b>	<b>0.00</b>		<b>63,000.00</b>	
GROUND TRANSPORT		15,000.00	0.00		15,000.00	
<b>TOTAL:</b>		<b>15,000.00</b>	<b>0.00</b>		<b>15,000.00</b>	
CONTRACT DRILLING (DAY RATE/TUF		315,000.00	0.00		315,000.00	
<b>TOTAL:</b>		<b>315,000.00</b>	<b>0.00</b>		<b>315,000.00</b>	
DIRECTIONAL TOOLS AND SERVICES		178,500.00	0.00		178,500.00	
<b>TOTAL:</b>		<b>178,500.00</b>	<b>0.00</b>		<b>178,500.00</b>	
FLUID & CUTTINGS DISPOSAL		90,000.00	0.00		90,000.00	
<b>TOTAL:</b>		<b>90,000.00</b>	<b>0.00</b>		<b>90,000.00</b>	
FRAC TANK RENTALS		2,100.00	0.00		2,100.00	
<b>TOTAL:</b>		<b>2,100.00</b>	<b>0.00</b>		<b>2,100.00</b>	
BITS		60,000.00	0.00		60,000.00	
<b>TOTAL:</b>		<b>60,000.00</b>	<b>0.00</b>		<b>60,000.00</b>	
CONTINGENCIES		129,260.00	0.00		129,260.00	
<b>TOTAL:</b>		<b>129,260.00</b>	<b>0.00</b>		<b>129,260.00</b>	
FUEL, WATER & LUBE		63,000.00	0.00		63,000.00	
<b>TOTAL:</b>		<b>63,000.00</b>	<b>0.00</b>		<b>63,000.00</b>	
CEMENT		100,000.00	0.00		100,000.00	
<b>TOTAL:</b>		<b>100,000.00</b>	<b>0.00</b>		<b>100,000.00</b>	
CASING CREWS AND LAYDOWN SER		30,000.00	0.00		30,000.00	
<b>TOTAL:</b>		<b>30,000.00</b>	<b>0.00</b>		<b>30,000.00</b>	
MUD LOGGER		21,000.00	0.00		21,000.00	
<b>TOTAL:</b>		<b>21,000.00</b>	<b>0.00</b>		<b>21,000.00</b>	
MOB/DEMOB RIG		50,000.00	0.00		50,000.00	
<b>TOTAL:</b>		<b>50,000.00</b>	<b>0.00</b>		<b>50,000.00</b>	
VACUUM TRUCKING		15,000.00	0.00		15,000.00	
<b>TOTAL:</b>		<b>15,000.00</b>	<b>0.00</b>		<b>15,000.00</b>	
DRILLPIPE INSPECTION		10,000.00	0.00		10,000.00	
<b>TOTAL:</b>		<b>10,000.00</b>	<b>0.00</b>		<b>10,000.00</b>	
CONTRACT LABOR/SERVICES		35,000.00	0.00		35,000.00	
<b>TOTAL:</b>		<b>35,000.00</b>	<b>0.00</b>		<b>35,000.00</b>	
SURFACE CASING		22,815.00	0.00		22,815.00	
<b>TOTAL:</b>		<b>22,815.00</b>	<b>0.00</b>		<b>22,815.00</b>	
PRODUCTION/LINER CASING		151,710.00	0.00		151,710.00	
<b>TOTAL:</b>		<b>151,710.00</b>	<b>0.00</b>		<b>151,710.00</b>	
CONDUCTOR PIPE		25,000.00	0.00		25,000.00	
<b>TOTAL:</b>		<b>25,000.00</b>	<b>0.00</b>		<b>25,000.00</b>	
WELLHEAD		10,000.00	0.00		10,000.00	
<b>TOTAL:</b>		<b>10,000.00</b>	<b>0.00</b>		<b>10,000.00</b>	
LINER HANGER/CASING ACCESSORY		15,000.00	0.00		15,000.00	
<b>TOTAL:</b>		<b>15,000.00</b>	<b>0.00</b>		<b>15,000.00</b>	
EQUIP RENT		175,000.00	0.00		175,000.00	
<b>TOTAL:</b>		<b>175,000.00</b>	<b>0.00</b>		<b>175,000.00</b>	
DRILL MUD & COMPL FLUID		350,000.00	0.00		350,000.00	

### SEP Permian LLC AUTHORITY FOR EXPENDITURE

AFE NO.: D19075		COMPANY	
AFE DESC: NIRVANA 3H		DIVISION	
DATE: 12/10/2019	OPERATOR:		
AFE TYPE: DRILL COMPLETE AND EQUIP	102 - SEP PERMIAN,		
GROSS/NET: GROSS	LLC		

	<b>TOTAL:</b>	<b>350,000.00</b>	<b>0.00</b>	<b>350,000.00</b>
WELLSITE SUPERVISION		44,000.00	0.00	44,000.00
	<b>TOTAL:</b>	<b>44,000.00</b>	<b>0.00</b>	<b>44,000.00</b>
GROUND TRANSPORT		10,000.00	0.00	10,000.00
	<b>TOTAL:</b>	<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>
CASED HOLE WIRELINE		160,000.00	0.00	160,000.00
	<b>TOTAL:</b>	<b>160,000.00</b>	<b>0.00</b>	<b>160,000.00</b>
FRAC/FLUID SW DISPOSAL		10,000.00	0.00	10,000.00
	<b>TOTAL:</b>	<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>
FRAC TANK RENTALS		9,000.00	0.00	9,000.00
	<b>TOTAL:</b>	<b>9,000.00</b>	<b>0.00</b>	<b>9,000.00</b>
FLOWBACK		8,000.00	0.00	8,000.00
	<b>TOTAL:</b>	<b>8,000.00</b>	<b>0.00</b>	<b>8,000.00</b>
BITS		1,000.00	0.00	1,000.00
	<b>TOTAL:</b>	<b>1,000.00</b>	<b>0.00</b>	<b>1,000.00</b>
CONTINGENCIES		151,000.00	0.00	151,000.00
	<b>TOTAL:</b>	<b>151,000.00</b>	<b>0.00</b>	<b>151,000.00</b>
SPECIALIZED SERVICE		30,000.00	0.00	30,000.00
	<b>TOTAL:</b>	<b>30,000.00</b>	<b>0.00</b>	<b>30,000.00</b>
STIMULATION AND PUMPING SERVIC		990,000.00	0.00	990,000.00
	<b>TOTAL:</b>	<b>990,000.00</b>	<b>0.00</b>	<b>990,000.00</b>
FUEL, WATER & LUBE		260,000.00	0.00	260,000.00
	<b>TOTAL:</b>	<b>260,000.00</b>	<b>0.00</b>	<b>260,000.00</b>
COMPLETION/WORKOVER (RIG)		48,000.00	0.00	48,000.00
	<b>TOTAL:</b>	<b>48,000.00</b>	<b>0.00</b>	<b>48,000.00</b>
CONTRACT LABOR/SERVICES		30,000.00	0.00	30,000.00
	<b>TOTAL:</b>	<b>30,000.00</b>	<b>0.00</b>	<b>30,000.00</b>
SITE PREPARATION		10,000.00	0.00	10,000.00
	<b>TOTAL:</b>	<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>
INSTALLATION & LABOR EXPENSES (I		90,000.00	0.00	90,000.00
	<b>TOTAL:</b>	<b>90,000.00</b>	<b>0.00</b>	<b>90,000.00</b>
BATTERY CONSTRUCTION LABOR		70,000.00	0.00	70,000.00
	<b>TOTAL:</b>	<b>70,000.00</b>	<b>0.00</b>	<b>70,000.00</b>
TUBING		60,000.00	0.00	60,000.00
	<b>TOTAL:</b>	<b>60,000.00</b>	<b>0.00</b>	<b>60,000.00</b>
TUBING HEAD/XMAS TREE		15,000.00	0.00	15,000.00
	<b>TOTAL:</b>	<b>15,000.00</b>	<b>0.00</b>	<b>15,000.00</b>
PUMPING & LIFTING EQUIP		50,000.00	0.00	50,000.00
	<b>TOTAL:</b>	<b>50,000.00</b>	<b>0.00</b>	<b>50,000.00</b>
SEP, DEHY, TREATERS, HEAT EXCHA		57,000.00	0.00	57,000.00
	<b>TOTAL:</b>	<b>57,000.00</b>	<b>0.00</b>	<b>57,000.00</b>
MEASUREMENT EQUIP		23,000.00	0.00	23,000.00
	<b>TOTAL:</b>	<b>23,000.00</b>	<b>0.00</b>	<b>23,000.00</b>
LEASE AND FLOW LINES		11,000.00	0.00	11,000.00
	<b>TOTAL:</b>	<b>11,000.00</b>	<b>0.00</b>	<b>11,000.00</b>
MISC FITTINGS & SUPPLIES		135,000.00	0.00	135,000.00
	<b>TOTAL:</b>	<b>135,000.00</b>	<b>0.00</b>	<b>135,000.00</b>
TANKS (OIL & WATER)		53,000.00	0.00	53,000.00
	<b>TOTAL:</b>	<b>53,000.00</b>	<b>0.00</b>	<b>53,000.00</b>
<b>TOTAL THIS AFE:</b>		<b>4,673,052.00</b>	<b>0.00</b>	<b>4,673,052.00</b>

CERTIFIED MAILER STATUS						
Spur - Nirvana 1H-3H						
TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
LEASED	Thomas Dale Humphreys	2719 Wendy Place	Port Huenene	CA	93041	LEASED
LEASED	Joseph Daily Humphreys	2719 Wendy Place	Port Huenene	CA	93041	LEASED
LEASED	Mark Bristow Humphreys	P.O. Box 2421	Pismo Beach	CA	93448	LEASED
LEASED	Jonell Jones Howell, Jason Carlos Howell, Agent & AIF	11602 Rustic Rock Drive, Apt. A	Austin	TX	78750	LEASED
LEASED	Phillip E. Fry	401 N 26th ST, # 1	Artesia	NM	88210	LEASED
LEASED	Heather J. Fry Sanford	1103 N. Guadalupe ST	Carlsbad	NM	88220	LEASED
LEASED	Leslie M. Butts	514 S 17th ST	Artesia	NM	88210	LEASED
LEASED	Tex Zia Properties, Ltd.	P.O. Box 261427	Plano	TX	75026-1427	LEASED
LEASED	Thomas Ray Smith	5818 Dominion Ridge Circle	San Angelo	TX	76904	LEASED
LEASED	Patricia Louise Book	6234 E Presidio	Mesa	AZ	85215	LEASED
LEASED	Melanie R. Harper	1621 Redwood Loop	Carlsbad	NM	88220	LEASED
LEASED	Jami Harl	2485 E 54TH ST	Tulsa	OK	74105-7201	LEASED
LEASED	Ferguson Family Trust created by Trust Agreement dated November 17, 2003	P.O. Box 847	Mesilla Park	NM	88047	LEASED
LEASED	Cynthia Helen Wescott	429 Bason Dr.	Las Cruces	NM	88005	LEASED
LEASED	LaDonna M. K. Fincham	6928 Lasker Dr.	Galveston	TX	77551	LEASED
LEASED	Jacqueline K. Saucedo	1421 Ave N	Galveston	TX	77550	LEASED
LEASED	Barbara J. Austen	6928 Lasker Dr.	Galveston	TX	77551	LEASED
LEASED	Sherry A. Black	63 Lebrun Court	Galveston	TX	77551	LEASED
LEASED	Patricia Ann Conner	14931 Rio Rancho Way	Helotes	TX	78023-4702	LEASED
LEASED	COG Operating LLC	600 W Illinois	Midland	TX	79701	LEASED
LEASED	Concho Oil & Gas LLC	600 W Illinois	Midland	TX	79701	LEASED
7017145000179496700	Jack H. White (Sr.) and Frankie M. White Revocable Trust c/o BEVERLY M WHITE AND WESTERN COMMERCE BANK CO-TRUSTEES	P.O. Box 1358	Carlsbad	NM	88221-1358	Your item has been delivered and is available at a PO Box at 8:05 am on May 25, 2021 in CARLSBAD, NM 88220.
70200640000205029276	Estate of William K. Douglas, deceased c/o Janeen M. Counts	P.O. Box 1450	Tijeras	NM	87059	Your item was delivered at 7:41 am on June 3, 2021 in TIJERAS, NM 87059.

70171450000179496717	Richard W. Gillett	6720 E Green Lake Way N, Apt. 502	Seattle	WA	98103	Your item was delivered to an individual at the address at 9:11 am on May 27, 2021 in SEATTLE, WA 98103.
70200640000205027678	H. Brooks Travis, II	10 Cantata Dr.	Mission Viejo	CA	92692	Your item was delivered to an individual at the address at 3:38 pm on May 27, 2021 in MISSION VIEJO, CA 92692.
70200640000205029160	Claire Halsell	1601 W Ave I	Lovington	NM	88260	Your item was delivered to an individual at the address at 10:02 am on May 27, 2021 in LOVINGTON, NM 88260.
70200640000205029191	Elizabeth Nelms	1404 S 16TH ST	Lovington	NM	88260	Your item was delivered to an individual at the address at 11:07 am on May 27, 2021 in LOVINGTON, NM 88260.
70200640000205029207	Charlie Deanna Nelms	1560 W Ave M	Lovington	NM	88260	Your item was delivered to an individual at the address at 12:04 pm on May 28, 2021 in LOVINGTON, NM 88260.
70200640000205029184	Phillip Tell Fry	401 N 26th ST, # 1	Artesia	NM	88210	Your item was delivered to an individual at the address at 10:38 am on May 27, 2021 in ARTESIA, NM 88210.
70171450000179496885	McCaw Properties LLC	P.O. Box 376	Artesia	NM	88211	Your item was delivered at 2:05 pm on May 26, 2021 in ARTESIA, NM 88210.
70171450000179496908	Eddie M. Mahfood and Valerie Ann Mahfood, as joint tenants with rights of survivorship	3014 Barrywood	Wichita Falls	TX	76309	Your item was delivered to an individual at the address at 12:44 pm on May 22, 2021 in WICHITA FALLS, TX 76309.
70171450000179496922	Scott E. Wilson and Cynthia M. Wilson, his wife as joint tenants with rights of survivorship	4601 Mirador Dr.	Austin	TX	78735	Your item has been delivered to an agent for final delivery in AUSTIN, TX 78735 on May 22, 2021 at 1:06 pm.
70171450000179496557	Van Winkle Family, LLC	9191 Yellowstone Road	Longmont	CO	80503	Your item was delivered to an individual at the address at 4:58 pm on May 24, 2021 in LONGMONT, CO 80503.
70171450000179496625	Michael S. Curtis	P.O. Box 218	Glorieta	NM	87535	Your item was picked up at the post office at 11:03 am on May 29, 2021 in GLORIETA, NM 87535.
70180360000159672865	James Carson	P.O. Box 1761	Lowell	AR	72745-1761	Your item was delivered at 11:31 am on May 24, 2021 in LOWELL, AR 72745.
70200640000205029245	Estate of Timothy Joe Watson, Dec'd c/o Cynthia H. Wescott	429 Bason Dr.	Las Cruces	NM	88005	Your item was delivered to an individual at the address at 12:52 pm on June 3, 2021 in LAS CRUCES, NM 88005.

70171450000179496588	Haley A. Harper	2805 Bridleton Ave	N. Las Vegas	NV	89081-6582	We attempted to deliver your package at 1:15 pm on July 3, 2021 in HOUSTON, TX 77007 but could not access the delivery location. We will redeliver on the next business day.
70171450000179496861	Ocotillo Production LLC	P.O. Box 93638	Albuquerque	NM	87199	"Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility."
70171450000179496618	Carolyn S. Curtis	141 State Highway 224, Lot 57	Commerce	TX	75428-2170	"Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility."
70171450000179496601	Juanel Harper	2103 W Centre Ave	Artesia	NM	88210	Your item was delivered to an individual at the address at 1:12 pm on May 22, 2021 in ARTESIA, NM 88210. <u>Correct Address:</u> 1207 W Centre Ave Artesia, NM 88210
70180360000159672872	Carole Morgan	101 Bridgewater Circle	Midland	TX	79707	"Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility." <b>Package was actually returned to sender.</b> <u>Correct Address:</u> 148 Roucourt Loop College Station, TX 77845
70200640000205029283	Estate of Beatrice V. Cook, Deceased c/o Marilyn Cook Wagner	719 La Fonda Dr.	Roswell	NM	88201	"Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility." <b>Package was actually returned to sender.</b> <u>Correct Address:</u> 3320 Count Drive Fort Worth, TX 76244
70200640000205029269	Sharbro Holdings LLC	P.O. Box 840	Artesia	NM	88211	Your item was delivered at 10:37 am on May 28, 2021 in ARTESIA, NM 88210.
70200640000205029252	EOG Resources, Inc.	104 South Fourth Street	Artesia	NM	88210	Your item was delivered to an individual at the address at 7:35 am on May 28, 2021 in ARTESIA, NM 88210.

**Exhibit B-7**

**NIRVANA - CHRONOLOGY OF CONTACT**

<u>Delivery Date</u>	<u>Entity</u>	<u>Int Type</u>	<u>1H WELL ELECTION</u>	<u>2H WELL ELECTION</u>	<u>3H WELL ELECTION</u>	<u>Comments</u>
LEASED	Thomas Dale Humphreys 2719 WENDY PLACE PORT HUENENE, CA 93041	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Joseph Daily Humphreys 2719 WENDY PLACE PORT HUENENE, CA 93041	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Mark Bristow Humphreys P.O. BOX 2421 PISMO BEACH, CA 93448	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Jonell Jones Howell, Jason Carlos Howell, Agent & AIF 11602 Rustic Rock Drive, Apt. A AUSTIN, TX 78750	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Phillip E. Fry 401 N 26th ST, # 1 ARTESIA, NM 88210	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Heather J. Fry Sanford 1103 N. Guadalupe ST CARLSBAD, NM 88220	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Leslie M. Butts 514 S 17th ST ARTESIA, NM 88210	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Tex Zia Properties, Ltd. PO BOX 261427 PLANO, TX 75026-1427	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Thomas Ray Smith 5818 DOMINION RIDGE CIRCLE SAN ANGELO, TX 76904	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Patricia Louise Book 6234 E PRESIDIO MESA, AZ 85215	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Melanie R. Harper 1621 REDWOOD LOOP CARLSBAD, NM 88220	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Jami Harl 2485 E 54TH ST TULSA, OK 74105-7201	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Ferguson Family Trust created by Trust Agreement dated November 17, 2003 PO BOX 847 MESILLA PARK, NM 88047	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Cynthia Helen Wescott 429 Bason Dr. Las Cruces, NM 88005	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	LaDonna M. K. Fincham 6928 LASKER DR. GALVESTON, TX 77551	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Jacqueline K. Saucedo 1421 AVE N GALVESTON, TX 77550	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Barbara J. Austen 6928 LASKER DR. GALVESTON, TX 77551	UMI	LEASED	LEASED	LEASED	LEASED

**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. B7**  
**Submitted by: Spur Energy Partners, LLC**  
**Hearing Date: August 05, 2021**  
**Case Nos. 22049-22050**

LEASED	Sherry A. Black 63 LEBRUN COURT GALVESTON, TX 77551	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Patricia Ann Conner 14931 RIO RANCHO WAY HELOTES, TX 78023-4702	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	COG Operating LLC 600 W ILLINOIS MIDLAND, TX 79701	UMI	LEASED	LEASED	LEASED	LEASED
LEASED	Concho Oil & Gas LLC 600 W ILLINOIS MIDLAND, TX 79701	UMI	LEASED	LEASED	LEASED	LEASED
5/25/2021	Jack H. White (Sr.) and Frankie M. White Revocable Trust c/o BEVERLY M WHITE AND WESTERN COMMERCE BANK CO-TRUSTEES PO BOX 1358 CARLSBAD, NM 88221-1358	UMI				<p><b>NEGOTIATING TERMS AND/OR PROVISIONS</b></p> <p>6/2/2021: Twilla requested more bonus, 1/4 RI, and using their form and addendum. Need to review addendum and get Megan's approval.</p> <p>6/4/2021: Countered Twilla with the following: Accepted their Exhibit A, said we will need to use SPUR's lease form, up'd bonus to \$750/nma, stayed firm on 20%. Received autoresponse email from Twilla saying she'll be out of the office until 6/8.</p> <p>6/8/2021: Twilla emailed saying she'll review tomorrow.</p> <p>6/11/2021: Emailed Twilla late in the day checking on status.</p> <p>6/15/2021: Left message with receptionist.</p> <p>6/16/2021: Twilla still hasn't reviewed. She's out of the office tomorrow but said she'll try to review tonight.</p> <p>6/25/2021: Twilla is out of the office on vacation until 6/29.</p> <p>7/14/2021: Twilla is going to be out of the office for a while. She said to touch base on Monday 7/26. She should have it signed by then. Good to go on form and addendum.</p>
6/3/2021	Estate of William K. Douglas, deceased c/o Janeen M. Counts P.O. BOX 1450 TIJERAS, NM 87059	UMI				<p><b>NO RESPONSE</b></p> <p>Janeen, Joshua, and Kate are believed to be the sole surviving heirs of William K. Douglas, deceased. We are under the assumption that William K. Douglas died intestate, and was survived by his wife, Mariwade a/k/a Margueritte Douglas, and son, Michael Douglas. Mariwade is now deceased. Joshua and Kate believe her estate was probated but we have not located any probate. Michael pre-deceased his mother. We have been unable to get Janeen on the phone.</p> <p>5/28/2021: Called Janeen's office and left message.</p> <p>6/4/2021: Called and left message.</p>
N/A	Janeen M. Counts (presumable heir of William K. Douglas, deceased) 11804 NM-337 TIJERAS, NM 87059	UMI				<p><b>NO RESPONSE</b></p> <p>5/28/2021: Called Janeen's office and left message.</p> <p>6/4/2021: Called and left message.</p>
N/A	Joshua Douglas (presumable heir of William K. Douglas, deceased) 11804 NM-337 TIJERAS, NM 87059	UMI				<p><b>NO FURTHER RESPONSE</b></p> <p>6/7/2021: Joshua Douglas (grandson of William) left vm on Houston office number. Spoke with Joshua. He said to mail offers to the office address for him and Janeen. Mailing to Kate Douglas Doerges as well.</p>
N/A	Kate Douglas Doerges (presumable heir of William K. Douglas, deceased) 2320 BOWSIDE DRIVE FORT COLLINS, CO 80524	UMI				<p><b>NO FURTHER RESPONSE</b></p> <p>6/25/2021: Kate is waiting to talk with her mom and brother.</p>

5/27/2021	Richard W. Gillett 6720 E GREEN LAKE WAY N, APT. 502 SEATTLE, WA 98103	UMI				<b>NEGOTIATING TERMS AND/OR PROVISIONS</b> 6/8/2021: Left vm. Recording was for "Dick". 6/9/2021: Spoke with Richard and his son, Stephen. They inquired about non-consent. They are sellers at the right price and indicated they prefer to sell. 6/25/2021: Call with Richard and Stephen. 7/19/2021: Emailed with Stephen. Send deed tomorrow.
5/27/2021	H. Brooks Travis, II 10 CANTATA DR. MISSION VIEJO, CA 92692	UMI				<b>NO RESPONSE</b> This is Brooks Travis office number. 6/25/2021: Will call on Monday. 7/12/2021: Left vm. 7/19/2021: Called.
5/27/2021	Claire Halsell 1601 W Ave I LOVINGTON, NM 88260	UMI				<b>NEGOTIATING TERMS AND/OR PROVISIONS</b> 5/28/2021: Called all numbers on report. Liz confirmed this is good mailing address for Claire. 6/23/2021: Claire said she, Liz and Charlie want more RI. 6/25/2021: Left vm. Didn't talk numbers. Will offer \$650 and 20%. 7/8/2021: Left vm.
5/27/2021	Elizabeth Nelms 1404 S 16th ST LOVINGTON, NM 88260	UMI				<b>NEGOTIATING TERMS AND/OR PROVISIONS</b> 5/28/2021: Spoke with Liz. She confirmed good address. 7/9/2021: Left vm. 7/19/2021: Told Liz we could do \$650 and we're firm at 20%.
5/28/2021	Charlie Deanna Nelms 1404 S 16th ST LOVINGTON, NM 88260	UMI				<b>NEGOTIATING TERMS AND/OR PROVISIONS</b> 5/28/2021: Charlie's address has changed. She is currently living with Liz. She is going to do whatever Liz and Claire do.
5/27/2021	Phillip Tell Fry 401 N 26th ST, # 1 ARTESIA, NM 88210	UMI				<b>NO RESPONSE</b> 5/28/2021: Called all numbers on report. Heather said her dad and brother have received election letters. 6/25/2021: Heather says Phillip is supposed to be getting his signed if he hasn't already.
5/26/2021	McCaw Properties LLC PO BOX 376 ARTESIA, NM 88211	UMI				<b>NEGOTIATING TERMS AND/OR PROVISIONS</b> 6/2/2021: Called number provided by Spur. 6/8/2021: Left vm. Spoke with Mr. McCaw. He wants to use his lease form. He made it very clear that he wants a provision in the lease that requires SEP to provide title opinions. 7/12/2021: Sent email requesting addendum. 7/19/2021: Requested addendum again. 7/21/2021: Received Exhibit A and sent to Matt to fwd to Spur.
5/22/2021	Eddie M. Mahfood and Valerie Ann Mahfood, as joint tenants with rights of survivorship 3014 BARRYWOOD WICHITA FALLS, TX 76309	UMI				<b>NO RESPONSE</b> 5/28/2021: Left vm. Recording said it's Valerie Mahfood's phone. Looks like Eddie might be deceased. 6/1/2021: Received election letter. Valerie confirmed on letter that Eddie is deceased via her returned letter. 6/15/2021: Left vm. 6/24/2021: Left vm.
5/22/2021	Scott E. Wilson and Cynthia M. Wilson, his wife as joint tenants with rights of survivorship 4601 MIRADOR DR. AUSTIN, TX 78735	UMI				<b>NO FURTHER RESPONSE</b> 5/28/2021: Cindy said they are already working with someone on leasing. She was abrupt and did not allow me much time to inquire about what she meant. 6/25/2021: Left vm.

5/24/2021	Van Winkle Family, LLC 9191 YELLOWSTONE ROAD LONGMONT, CO 80503	UMI				<p><b>NEGOTIATING TERMS AND/OR PROVISIONS</b>                      5/28/2021: Sam Van Winkle appears to be the officer. Called multiple numbers.                      6/2/2021: Left Sam vm on his cell (720) 526-9756. Sam is asking for \$1000/nma and 1/4 RI. Megan said to counter \$750 and 22.5%.                      6/7/2021: Left Sam vm on his cell. Did not talk terms.                      6/8/2021: Spoke with Sam. He says him and Ocotillo are going to be firm at 1/4 RI. He's good with \$750/nma.                      6/11/2021: Spoke with Sam about latest terms from Spur. Sent email for his reference.</p>
5/29/2021	Michael S. Curtis PO BOX 218 GLORIETA, NM 87535	UMI				<p><b>NEGOTIATING TERMS AND/OR PROVISIONS</b>                      5/28/2021: Spoke with Michael. He confirmed good address for him and his sister.                      6/25/2021: Mike and his sister have the leases. He's contemplating signing.                      7/12/2021: Left vm.                      7/19/2021: Called.                      7/22/2021: Agreed to sell.</p>
5/24/2021	James Carson PO BOX 1761 LOWELL, AR 72745-1761	UMI				<p><b>NO RESPONSE</b>                      5/28/2021: Called all mobile numbers on report and from EOG spreadsheet.                      7/15/2021: Received Jami Harl's (James' sister) executed OGL.                      7/28/2021: Still no OGL from James. He was supposed to sign around the same time as Jami according to landman brokering for them.</p>
6/3/2021	Estate of Timothy Joe Watson, Dec'd c/o Cynthia H. Wescott or Steven De La Torre 429 BASON DR. LAS CRUCES, NM 88005	UMI				<p><b>NO FURTHER RESPONSE</b>                      6/2/2021: Searched for Steven De La Torre. Hopefully, Cynthia Wescott can help answer questions regarding Timothy's estate.                      6/3/2021: Left Steven (presumably) a vm at (917) 374-1876.                      6/4/2021: Steven called back and said he and Timothy were partners. Said Tim left everything to Steve. Steve probated Tim's estate in Manhattan, NY.</p>
NOT DELIVERED	Haley A. Harper 2805 BRIDLETON AVE N LAS VEGAS, NV 89081-6582	UMI				<p><b>NO FURTHER RESPONSE</b>                      5/28/2021: Spoke with Haley. She received the certified notice but has not picked up the packet yet from USPS.                      6/15/2021: Left vm.                      6/21/2021: Left vm.                      6/25/2021: Left vm.                      7/9/2021: Emailed and texted.</p>
NOT DELIVERED	Ocotillo Production LLC PO BOX 93638 ALBUQUERQUE, NM 87199	UMI				<p><b>NEGOTIATING TERMS AND/OR PROVISIONS</b>                      6/2/2021: Called number provided by Spur.                      6/7/2021: Spoke with Randy briefly. He's busy and will call back tomorrow.                      6/8/2021: Emailed Randy offer and OGL. Randy acknowledged receipt. Sam Van Winkle said he and Randy will be working together.                      6/11/2021: Emailed Randy counter from Spur.                      6/15/2021: Passed Randy's latest counter to Matt to fwd to Megan. Randy is firm at \$1,000/nma and his exhibit doesn't look problematic to Michael.                      6/24/2021: Matt is following up with Megan on counter and Exhibit.</p>
NOT DELIVERED	Carolyn S. Curtis LOT 57 141 STATE HIGHWAY 224 COMMERCE, TX 75428-2170	UMI				<p><b>NEGOTIATING TERMS AND/OR PROVISIONS</b>                      5/28/2021: Called all numbers on report.                      6/25/2021: Received according to her brother, Mike.                      7/22/2021: Agreed to sell (according to her brother, Mike).</p>

5/22/2021	Juanel Harper 1207 W CENTRE AVE ARTESIA, NM 88210	UMI				<p><b>NEGOTIATING TERMS AND/OR PROVISIONS</b>                      5/28/2021: Called.                      6/25/2021: Left vm.                      7/9/2021: Juanel called. Number is correct. She moved down the street. Need to send new packet to 1207 W Centre Ave address.                      7/23/2021: Juanel is mailing OGL back today.                      7/26/2021: Juanel emailed copies of executed OGL. Says original is in the mail.</p>
NOT DELIVERED	Carole Morgan Richard Morgan, AIF for Carole Morgan 148 ROUCOURT LOOP COLLEGE STATION, TX 77845	UMI				<p><b>NO FURTHER RESPONSE</b>                      5/28/2021: Called all numbers on report. Confirmed the area code 989 number is wrong.                      6/1/2021: Received return certified mailer. Bad address. Not able to forward.                      6/8/2021: Need to try to locate relatives. Haven't found accurate address or phone yet.                      6/10/2021: Spoke with Carole's son, Michael Morgan, at (254) 246-1453. Mike said to call his brother, Rick Morgan, who has POA. Rick's number is (432) 664-5266. Left Rick vm. Need to get good mailing address, find out if Rick is signing as AIF, if so, find out if POA is recorded and what county, and confirm spelling of Carole or Carol.                      6/15/2021: Spoke with Rick. He confirmed he has POA, which is recorded in Midland County, TX. Mail packet to 148 Roucourt Loop, College Station, TX 77845. Richard Morgan as AIF will be signatory.                      6/24/2021: Rick is discussing with his mom.                      7/9/2021: Rick has still not spoken with any of his trusted advisors. Need to follow up next week.                      7/19/2021: Left vm.                      7/23/2021: Called.</p>
NOT DELIVERED	Estate of Beatrice V. Cook, Deceased c/o Marilyn Cook Wagner 3320 COUNT DRIVE FORT WORTH, TX 76244	UMI				<p><b>NO FURTHER RESPONSE</b>                      5/28/2021: Spoke with Marilyn. She now lives in Fort Worth at the address shown. Probate appears to be incomplete. LW&amp;T of Beatrice leaves all real property to Marilyn. Estate probated as Cause No. 8800, Chaves County, NM.                      6/25/2021: Marilyn will have OGL executed by Monday at the latest.                      7/9/2021: Left vm.</p>
5/28/2021	Sharbro Holdings LLC P.O. BOX 840 ARTESIA, NM 88211	UMI				<p><b>NO RESPONSE</b></p>
5/28/2021	EOG Resources, Inc. 104 SOUTH FOURTH STREET ARTESIA, NM 88210	UMI				<p><b>NO RESPONSE</b></p>





**Kaitlyn A. Luck**  
Phone (505) 988-4421  
kaluck@hollandhart.com

July 16, 2021

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: POOLED WORKING INTEREST OWNERS**

**Re: Application of Spur Energy Partners, LLC to Amend Order Nos. R-20642, R-20642-B, R-20642-C, & R-20642-D, Eddy County, New Mexico.**  
**Nirvana #1H and #2H wells**

Ladies & Gentlemen:

This letter is to advise you that Spur Energy Partners, LLC has filed the enclosed application with the New Mexico Oil Conservation Division.

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 5, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.**

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Megan Peña at (832) 930-8581 or mpena@spurepllc.com.

Sincerely

**Kaitlyn A. Luck**  
**ATTORNEY FOR SPUR ENERGY PARTNERS, LLC**

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming



**Kaitlyn A. Luck**  
Phone (505) 988-4421  
kaluck@hollandhart.com

July 16, 2021

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: POOLED WORKING INTEREST OWNERS**

**Re: Application of Spur Energy Partners, LLC to Amend Order Nos. R-20643, R-20643-B, & R-20643-C, Eddy County, New Mexico.**  
**Nirvana #3H well**

Ladies & Gentlemen:

This letter is to advise you that Spur Energy Partners, LLC has filed the enclosed application with the New Mexico Oil Conservation Division.

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 5, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.**

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Megan Peña at (832) 930-8581 or mpena@spurepllc.com.

Sincerely,

KAITLYN A. LUCK

**ATTORNEY FOR SPUR ENERGY PARTNERS,  
LLC**

T 505.988.4421 F 505.983.6043  
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www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Spur\_Nirvana 1H-3H - Orders R-20642, R20643 -  
Case Nos. 22049-22050 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765804644607	Ocotillo Production LLC	PO Box 93638	Albuquerque	NM	87199-3638	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765804644126	COG Operating LLC	600 W Illinois Ave	Midland	TX	79701-4882	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765804644102	Concho Oil & Gas LLC	600 W Illinois Ave	Midland	TX	79701-4882	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765804644195	Haley A. Harper	2805 Bridleton Ave	North Las Vegas	NV	89081-6582	Your item was delivered at 10:38 am on July 26, 2021 in NORTH LAS VEGAS, NV 89031.
9414811898765804644140	Melanie R. Harper	1403 W Runyan Ave	Artesia	NM	88210-2697	Your item was forwarded to a different address at 1:12 pm on July 19, 2021 in ARTESIA, NM. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.
9414811898765804644188	Juanel Harper	2103 W Centre Ave	Artesia	NM	88210-2245	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765804644133	Carolyn S. Curtis	141 State Highway 224 Lot 57	Commerce	TX	75428-2181	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765804644171	Michael S. Curtis	PO Box 218	Glorieta	NM	87535-0218	Your item was delivered at 1:52 pm on July 21, 2021 in GLORIETA, NM 87535.
9414811898765804644317	Beatrice V. Cook	PO Box 1076	Roswell	NM	88202-1076	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765804644355	James Carson	PO Box 1761	Lowell	AR	72745-1761	Your item was delivered at 12:31 pm on July 22, 2021 in LOWELL, AR 72745.
9414811898765804644324	EOG Resources, Inc.	104 S 4th St	Artesia	NM	88210-2123	Your item was delivered to the front desk, reception area, or mail room at 7:46 am on July 19, 2021 in ARTESIA, NM 88210.
9414811898765804644690	Thomas Ray Smith	5818 Dominion Ridge Cir	San Angelo	TX	76904-8141	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765804644300	Jami Harl	2485 E 54th St	Tulsa	OK	74105-7201	Your item was delivered to an individual at the address at 1:37 pm on July 19, 2021 in TULSA, OK 74105.
9414811898765804644393	Ferguson Family Trust created by Trust Frankie M. White Revocable Trust Frankie M. White Revocable Trust Agreement Dated November 17, 2003	PO Box 847	Mesilla Park	NM	88047-0847	Your item was delivered at 4:58 pm on July 20, 2021 in MESILLA PARK, NM 88047.
9414811898765804644348	Cynthia Helen Wescott, a/k/a Cynthia H. Watson	429 Bason Dr	Las Cruces	NM	88005-3717	Your item was delivered to an individual at the address at 4:12 pm on July 19, 2021 in LAS CRUCES, NM 88005.
9414811898765804644331	Estate of Timothy Joe Watson, Decd C/O Steven De La Torre	410 W 24th St Apt 7F	New York	NY	10011-1305	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765804644379	LaDonna M. K. Fincham	36 Kukuau St	Hilo	HI	96720-3079	Your item arrived at the SANTA FE, NM 87504 post office at 7:22 am on July 31, 2021 and is ready for pickup.
9414811898765804644058	Jacqueline K. Saucedo	1421 Avenue N	Galveston	TX	77550-8127	Your item was delivered to an individual at the address at 4:43 pm on July 21, 2021 in GALVESTON, TX 77550.
9414811898765804644065	Barbara J. Austen	6928 Lasker Dr	Galveston	TX	77551-1753	Your item was delivered to an individual at the address at 7:32 pm on July 19, 2021 in GALVESTON, TX 77551.
9414811898765804644027	Sherry A. Black	63 Lebrun Ct	Galveston	TX	77551-1565	Your item was delivered to an individual at the address at 1:07 pm on July 19, 2021 in GALVESTON, TX 77551.

Spur\_Nirvana 1H-3H - Orders R-20642, R20643 -  
Case Nos. 22049-22050 Postal Delivery Report

9414811898765804644003	Frankie M. White and Jack H. White, Jr., Frankie M. White Revocable Trust Trustees Of The Jack H. White Sr. And Frankie M. White Revocable Trust	1080 W Wenonah Blvd	Wichita Falls	TX	76309-2030	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765804644096	Estate of William K. Douglas, Decd C/O Marguerite Wade Douglas	7201 Prospect Pl NE Apt 308	Albuquerque	NM	87110-4245	Your item was returned to the sender on July 29, 2021 at 3:01 pm in SANTA FE, NM 87501 because the addressee moved and left no forwarding address.
9414811898765804644645	McCaw Properties LLC	PO Box 376	Artesia	NM	88211-0376	Your item was delivered at 2:00 pm on July 21, 2021 in ARTESIA, NM 88210.
9414811898765804644041	Richard W. Gillett	6720 E Green Lake Way N Apt 502	Seattle	WA	98103-5433	Your item was delivered to an individual at the address at 9:35 am on July 21, 2021 in SEATTLE, WA 98103.
9414811898765804644089	Sharbro Oil Ltd. Co.	331 W Main St Ste C	Artesia	NM	88210-2160	Your item was forwarded to a different address at 10:53 am on July 19, 2021 in ARTESIA, NM. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.
9414811898765804644034	H. Brooks Travis, II	10 Cantata Dr	Mission Viejo	CA	92692-5102	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765804644072	Patricia Ann Conner	14931 Rio Rancho Way	Helotes	TX	78023-4702	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765804644454	Estate of Stanley L. Jones, Decd C/O Patricia M. Nelms & Charlie D. Nelms	1404 S 16th St	Lovington	NM	88260-5307	Your item was delivered to an individual at the address at 1:01 pm on July 19, 2021 in LOVINGTON, NM 88260.
9414811898765804644461	Estate of Jonell Jones Gilmore, A/K/A Jonell Rayburn Gilmore, Decd C/O Charlie D. Nelms	1404 S 16th St	Lovington	NM	88260-5307	Your item was delivered to an individual at the address at 1:01 pm on July 19, 2021 in LOVINGTON, NM 88260.
9414811898765804644683	Patricia Louise Book	6234 E Presidio St	Mesa	AZ	85215-0968	Your item was delivered to an individual at the address at 3:30 pm on July 19, 2021 in MESA, AZ 85215.
9414811898765804644638	Eddie M. Mahfood and Valerie Ann Mahfood, As Joint Tenants With Rights Of Survivorship	3014 Barrywood Dr	Wichita Falls	TX	76309-4908	Your item was delivered to an individual at the address at 1:30 pm on July 20, 2021 in WICHITA FALLS, TX 76309.
9414811898765804644676	Carol Morgan	3801 East Crest Dr	Bryan	TX	77802-5704	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765804644119	Scott E. Wilson and Cynthia M. Wilson his wife As Joint Tenants With Rights Of Survivorship	11644 Blalock Ln	Houston	TX	77024-7305	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765804644157	Tex Zia Properties, Ltd.	PO Box 261427	Plano	TX	75026-1427	Your item was delivered at 6:56 pm on July 20, 2021 in PLANO, TX 75075.
9414811898765804644164	Van Winkle Family, LLC	9191 Yellowstone Rd	Longmont	CO	80503-9224	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

# Carlsbad Current Argus.

A PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0004830546

This is not an invoice

HOLLAND AND HART  
POBOX 2208

SANTA FE, NM 87504

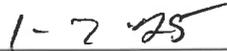
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

07/21/2021

  
\_\_\_\_\_  
Legal Clerk

Subscribed and sworn before me this July 21, 2021:

  
\_\_\_\_\_  
State of WI, County of Brown  
NOTARY PUBLIC

  
\_\_\_\_\_  
My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0004830546  
PO #:  
# of Affidavits 1

This is not an invoice

STATE OF NEW MEXICO  
ENERGY, MINERALS AND  
NATURAL RESOURCES DE-  
PARTMENT  
OIL CONSERVATION DIVI-  
SION  
SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, August 5, 2021, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us). Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than **July 25, 2021**.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12d56bf176d7f280e15d2923570bbb1c>  
Event number: 146 234 7684  
Event password: u47kXsERRb4

Join by video: 1462347684@nmemnrd.webex.com  
Numeric Password: 949758  
You can also dial 173.243.2.68 and enter your meeting number

**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. D**  
**Submitted by: Spur Energy Partners, LLC**  
**Hearing Date: August 05, 2021**  
**Case Nos. 22049-22050**

Join by audio: 1-844-992-4726 United States Toll Free  
Access code: 146 234 7684

**STATE OF NEW MEXICO TO:**  
All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All pooled parties and working interest owners, including: Ocotillo Production LLC; Thomas Ray Smith, his heirs and devisees; McCaw Properties LLC; Patricia Louise Book, her heirs and devisees; Eddie M. Mahfood and Valerie Ann Mahfood, as joint tenants with rights of survivorship, their heirs and devisees; Carol Morgan, her heirs and devisees; Scott E. Wilson and Cynthia M. Wilson, his wife as joint tenants with rights of survivorship, their heirs and devisees; Tex Zia Properties, Ltd.; Van Winkle Family, LLC; COG Operating LLC; Concho Oil & Gas LLC; Haley A. Harper, her heirs and devisees; Melanie R. Harper, her heirs and devisees; Juanel Harper, his or her heirs and devisees; Carolyn S. Curtis, her heirs and devisees; Michael S. Curtis, his heirs and devisees; Beatrice V. Cook, her heirs and devisees; James Carson, his heirs and devisees; EOG Resources, Inc.; Jami Harl, his or her heirs and devisees; Ferguson Family Trust created by Trust Agreement dated November 17, 2003; Cynthia Helen Wescott, a/k/a Cynthia H. Watson, her heirs and devisees; Estate of Timothy Joe Watson, Dec'd, his heirs and devisees, c/o Steven De La Torre; LaDonna M. K. Fincham, her heirs and devisees; Jacqueline K. Saucedo, her heirs and devisees; Barbara J. Austen, her heirs and devisees; Sherry A. Black, her heirs and devisees; Frankie M. White and Jack H. White, Jr., Trustees of the Jack H. White (Sr.) and Frankie M. White Revocable Trust; Estate of William K. Douglas, Dec'd, his

heirs and devisees, c/o Marguerite Wade Douglas Richard W. Gillett, his heirs and devisees; Sharbro Oil Ltd. Co.; H. Brooks Travis, II, his heirs and devisees; Patricia Ann Conner, her heirs and devisees; Estate of Stanley L. Jones, Dec'd, his heirs and devisees, c/o Patricia M. Nelms & Charlie D. Nelms; and Estate of Jonell Jones Gilmore, a/k/a Jonell Rayburn Gilmore, Dec'd, his or her heirs and devisees; c/o Charlie D. Nelms.

Case No. 22049: Application of Spur Energy Partners, LLC to Amend Order Nos. R-20642, R-20642-B, R-20642-C, & R-20642-D, Eddy County, New Mexico. Applicant in the above-styled cause seeks to pool additional interest owners under the terms of Order Nos. R-20642, R-20642-B, R-20642-C, & R-20642-D. The standard 200-acre, more or less, horizontal spacing unit is comprised of the Penasco Draw; San Andres Yeso Pool (50270) underlying the S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. The pooled vertical depths are limited to the top of the pool (at a stratigraphic equivalent depth of 2,279 feet measured depth) as defined in the Gamma Ray-Neutron Log of the Len Mayer No. 1 Well (API No. 30-015-05926) to a depth of 3,200 feet. The spacing unit is dedicated to the Nirvana #1H well, and the Nirvana #2H well, to be drilled from surface locations in the SW/4 SW/4 (Unit M) of Section 27, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 29. Said area is located approximately 8.5 miles southeast of Artesia, New Mexico. #4830546, Current Argus, July 21, 2021

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0004830557

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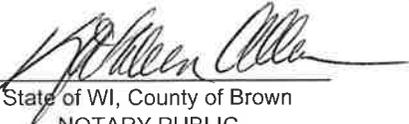
SANTA FE, NM 87504

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

07/21/2021

  
\_\_\_\_\_  
Legal Clerk

Subscribed and sworn before me this July 21, 2021:

  
\_\_\_\_\_  
State of WI, County of Brown  
NOTARY PUBLIC  
1-7-25  
\_\_\_\_\_  
My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0004830557  
PO #:  
# of Affidavits 1

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STATE OF NEW MEXICO  
ENERGY, MINERALS AND  
NATURAL RESOURCES DE-  
PARTMENT  
OIL CONSERVATION DIVI-  
SION  
SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, August 5, 2021, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us). Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than **July 25, 2021**.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12d56bf176d7f280e15d2923570bbb1c>  
Event number: 146 234 7684  
Event password: u47kXsERRb4

Join by video: 1462347684@nmemnrd.webex.com  
Numeric Password: 949758  
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free  
Access code: 146 234 7684

**STATE OF NEW MEXICO TO:**  
All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All pooled parties and working interest owners, including: Ocotillo Production LLC; Thomas Ray Smith, his heirs and devisees; McCaw Properties LLC; Patricia Louise Book, her heirs and devisees; Eddie M. Mahfood and Valerie Ann Mahfood, as joint tenants with rights of survivorship, their heirs and devisees; Carol Morgan, her heirs and devisees; Scott E. Wilson and Cynthia M. Wilson, his wife as joint tenants with rights of survivorship, their heirs and devisees; Tex Zia Properties, Ltd.; Van Winkle Family, LLC; COG Operating LLC; Concho Oil & Gas LLC; Haley A. Harper, her heirs and devisees; Melanie R. Harper, her heirs and devisees; Juanel Harper, his or her heirs and devisees; Carolyn S. Curtis, her heirs and devisees; Michael S. Curtis, his heirs and devisees; Beatrice V. Cook, her heirs and devisees; James Carson, his heirs and devisees; EOG Resources, Inc.; Jami Harl, his or her heirs and devisees; Ferguson Family Trust created by Trust Agreement dated November 17, 2003; Cynthia Helen Wescott, a/k/a Cynthia H. Watson, her heirs and devisees; Estate of Timothy Joe Watson, Dec'd, his heirs and devisees, c/o Steven De La Torre; LaDonna M. K. Fincham, her heirs and devisees; Jacqueline K. Saucedo, her heirs and devisees; Barbara J. Austen, her heirs and devisees; Sherry A. Black, her heirs and devisees; Frankie M. White and Jack H. White, Jr., Trustees of the Jack H. White (Sr.) and Frankie M. White Revocable Trust; Estate of William K. Douglas, Dec'd, his

heirs and devisees, c/o Marguerite Wade Douglas Richard W. Gillett, his heirs and devisees; Sharbro Oil Ltd. Co.; H. Brooks Travis, II, his heirs and devisees; Patricia Ann Conner, her heirs and devisees; Estate of Stanley L. Jones, Dec'd, his heirs and devisees, c/o Patricia M. Nelms & Charlie D. Nelms; and Estate of Jonell Jones Gilmore, a/k/a Jonell Rayburn Gilmore, Dec'd, his or her heirs and devisees; c/o Charlie D. Nelms.

Case No. 22050: Application of Spur Energy Partners, LLC to Amend Order Nos. R-20643, R-20643-B, & R-20643-C Eddy County, New Mexico. Applicant in the above-styled cause seeks to pool additional interest owners under the terms of Order Nos. R-20643, R-20643-B and R-20643-C. The standard 200-acre, more or less, horizontal spacing unit is comprised of the Penasco Draw; San Andres Yeso Pool (50270) underlying the S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. The Orders limited the pooled vertical depths from a stratigraphic equivalent of a depth of 3,201 feet to the base of the Yeso formation at a stratigraphic equivalent of 4,460 feet measured depth, as defined in the Gamma Ray-Neutron Log from the Len Mayer 1 Well (API No. 30-015-05926). The spacing unit is dedicated to the Nirvana #3H well. Said area is located approximately 8.5 miles southeast of Artesia, New Mexico. #4830557, Current Argus, July 21, 2021