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

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

Case No. 22533

Released to Imaging: 2/1/2022 4:49:55 PM

### SPUR ENERGY PARTNERS, LLC'S HEARING EXHIBITS

### Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Blair Brummell
A-1	Application & Proposed Notice of Hearing
A-2	C-102(s)
A-3	Plat of Tracts, Tract Ownership, Pooled Party, Unit Recapitulation
A-4	Sample Well Proposal Letter & AFE(s)
A-5	Summary of Communications
A-6	Hearing Notice Letter and Return Receipts
A-7	Affidavit of Publication
Exhibit B	Self-Affirmed Statement of C.J. Lipinski
B-1	Location Map
B-2	Structure Map
B-3	Cross Section
B-4	Gunbarrel Schematic

### **COMPULSORY POOLING APPLICATION CHECKLIST** ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS Case No.: 22533 **Hearing Date:** 2/3/2022 **Applicant** Spur Energy Partners, LLC **Designated Operator & OGRID** OGRID # 328947 Applicant's Counsel Hinkle Shanor LLP Case Title Application of Spur Energy Partners, LLC for Compulsory Pooling, Eddy County, New Mexico Entries of Appearance/Intervenors Well Family Halberd Formation/Pool Formation Name(s) or Vertical Extent Yeso Primary Product (Oil or Gas) Oil Pooling this vertical extent Yeso, 3694' MD to 4000' MD. Pool Name and Pool Code Artesia; Glorieta-Yeso (Pool Code 96830) Well Location Setback Rules Statewide Spacing Unit Size 160-acre **Spacing Unit** Type (Horizontal/Vertical) Horizontal Size (Acres) 160-acre **Building Blocks** quarter-quarter Orientation laydown Description: TRS/County N/2S/2 of Section 27, Township 17 South, Range 28 East in Eddy County, New Mexico Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations Depth Severance: Y/N. If yes, description Yes; at 4000' MD in the Artesia; Glorieta-Yeso Pool Proximity Tracts: If yes, description Proximity Defining Well: if yes, description Well(s) Name & API (if assigned), surface and bottom hole location, Add wells as needed footages, completion target, orientation, completion status (standard or non-standard) Well #1 Halberd 27 State Com 21H (API # pending) SHL: 998' FSL & 650' FWL, Unit M, Section 26, T17S-R28E BHL: 1900' FSL & 50' FEL, Unit L, Section 27, T17S-R28E Completion Target: Yeso formation (Approx. 3900' TVD) Horizontal Well First and Last Take Points Exhibit A-2 Completion Target (Formation, TVD and MD) Exhibit A-4 **AFE Capex and Operating Costs** Drilling Supervision/Month \$ 8000 oduction Supervision/Month \$ 800 stification for Supervision Costs Exhibit A Requested Risk Charge 200% Notice of Hearing Proposed Notice of Hearing Exhibit A-1 oof of Mailed Notice of Hearing (20 days before hearing) Exhibit A-6 Poof of Published Notice of Hearing (10 days before hearing) Exhibit A-7 wnership Determination and Ownership Schematic of Spacing Unit Exhibit A-3 act List (including lease numbers & owners) Exhibit A-3 oled Parties (including ownership type) Exhibit A-3 Iocatable Parties to be Pooled

Exhibit A-3

1
- A '
-
_ ~
~
March.
~~
V
~
The same
1
٠.
No.
4
0
0
- 7.4
-
_
0
- 3, 1
_
-
, ·
_
Cì
-
T 2
C
C
S
OC
OC
, OC.
v 0C
v 00
v 0C
by 0C
I by OC
by 0C
ed by OC
eived by OC
eived by OC
ceived by OC
eived by OC
eceived by OC
ceived by OC

Ownership Depth Severance (including percentage above &	
below)	Exhibit A-3
oinder	
Sample Copy of Proposal Letter	Exhibit A-2
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	Exhibit A-2
Cost Estimate to Equip Well	Exhibit A-2
Cost Estimate for Production Facilities	Exhibit A-2
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
CERTIFICATION: I hereby certify that the information	
provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	Jana J. Haraly
Date:	2/1/2022
	()

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

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

**CASE NO. 22533** 

### SELF-AFFIRMED STATEMENT OF BLAIR BRUMMELL

- 1. I am a senior landman at Spur Energy Partners, LLC ("Spur") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my qualifications as an expert in petroleum land matters were accepted and made a matter of record.
- 2. I am familiar with the application in the above-referenced case and the land matters involved. Copies of the application and proposed hearing notice are attached as Exhibit A-1.
- 3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.
- 4. Spur seeks an order pooling all uncommitted mineral interests from the top of the Yeso formation to a depth of approximately 4,000' MD in a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2S/2 of Section 27, Township 17 South, Range 28 East in Eddy County, New Mexico ("Unit").
- 5. The Unit will be dedicated to the **Halberd 27 State Com 21H** well ("Well") to be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 26 to a bottom hole location in the NW4/SW/4 (Unit L) of Section 27.
  - 6. The completed interval of the Well will be orthodox.
  - 7. The Well is located in the Artesia; Glorieta-Yeso (Pool Code 96830).

bottom

SPUR ENERGY
Case No. 22533
Exhibit A

- 8. With respect to well setback requirements, this pool is subject to the statewide horizontal well rules set out in NMAC 19.15.16.15.
- 9. A depth severance exists in the Yeso formation. Accordingly, Spur seeks to pool uncommitted interests from the top of the Yeso formation (at a stratigraphic equivalent of approximately 3,694' MD as observed on the Geronimo '27' State Com #1 Platform Express, Azimuthal Laterolog (API No. 30-015-31173)) to approximately 4,000' MD.
  - 10. Exhibit A-2 contains the C-102 for the Well.
- 11. Exhibit A-3 contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Spur seeks to pool.
- 12. **Exhibit A-4** contains a sample well proposal letter and AFE sent to working interest owners for the Well. The estimated costs reflected on the AFE are fair, reasonable and comparable to the cost of other wells of similar depth and length drilled in the Yeso formation in the area.
- 13. Spur has conducted a diligent search of all county public records including phone directories and computer databases.
  - 14. All interest owners Spur seeks to pool are locatable.
- 15. In my opinion, Spur made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in **Exhibit** A-5.
- 16. Spur requests overhead and administrative rates of \$8,000 per month while the Well is being drilled and \$800 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Spur and by other operators in the vicinity.

17. Notice of Spur's application and the Division hearing was timely provided to the uncommitted interests by certified mail more than 20 days prior to the hearing date. A sample of the notice letters and associated green cards are attached as Exhibit A-6.

18. Notice of Spur's application and the Division hearing was published more than ten business days prior to the hearing date. The affidavit of publication is attached as Exhibit A-7.

19. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

20. In my opinion, the granting of Spur's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

21. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 20 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Blair Brummell

1-14-22 Date

Released to Imaging: 2/1/2022 4:49:55 PM

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

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

Case No. 22533

### **APPLICATION**

Pursuant to NMSA § 70-2-17, Spur Energy Partners, LLC ("Spur") applies for an order pooling all uncommitted mineral interests from the top of the Yeso formation to a depth of approximately 4,000' MD in a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2S/2 of Section 27, Township 17 South, Range 28 East in Eddy County, New Mexico ("Unit"). In support of its application, Spur states the following.

- 1. Spur (OGRID No. 328947) is a working interest owner in the Unit and has the right to drill wells thereon.
- 2. The Unit will be dedicated to the **Halberd 27 State Com 21H** well ("Well") to be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 26 to a bottom hole location in the NW/4SW/4 (Unit L) of Section 27.
  - 3. The completed interval of the Well will be orthodox.
- 4. A depth severance exists in the Yeso formation. Accordingly, Spur seeks to pool uncommitted interests from the top of the Yeso formation (at a stratigraphic equivalent of approximately 3,694' MD as observed on the Geronimo '27' State Com #1 Platform Express, Azimuthal Laterolog (API No. 30-015-31173)) to approximately 4,000' MD.
- 5. Spur has undertaken diligent, good-faith efforts to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all the mineral interest owners.

SPUR ENERGY

Released to Imaging: 2/1/2022 4:49:55 PM

Case No. 22533

Exhibit A-1

- 6. The pooling of uncommitted mineral interests will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 7. In order to allow Spur to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the Unit should be pooled and Spur should be designated the operator of the Well and Unit.

WHEREFORE, Spur requests that this application be set for hearing on February 3, 2022 and after notice and hearing the Division enter an order:

- A. Pooling all uncommitted interests in the Unit as set forth above:
- B. Approving the Well in the Unit;
- C. Designating Spur as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Spur to recover its costs of drilling, equipping and completing the Well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Spur in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

### HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Michael Rodriguez P.O. Box 2068 Santa Fe, NM 87504-2068

Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com mrodriguez@hinklelawfirm.com

Counsel for Spur Energy Partners, LLC

Application of Spur Energy Partners, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks to pool all uncommitted mineral interests from the top of the Yeso formation to a depth of approximately 4,000' MD in a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2S/2 of Section 27, Township 17 South, Range 28 East in Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Halberd 27 State Com 21H well ("Well") to be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 26 to a bottom hole location in the NW4/SW/4 (Unit L) of Section 27. The completed interval of the Well will be orthodox. A depth severance exists in the Yeso formation. Accordingly, Spur seeks to pool uncommitted interests from the top of the Yeso formation (at a stratigraphic equivalent of approximately 3,694' MD as observed on the Geronimo '27' State Com #1 Platform Express, Azimuthal Laterolog (API No. 30-015-31173)) to approximately 4,000' MD. Also to be considered will be the cost of drilling and completing the Well and the allocation of the cost, the designation of Spur Energy Partners, LLC as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles west of Loco Hills, New Mexico.

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

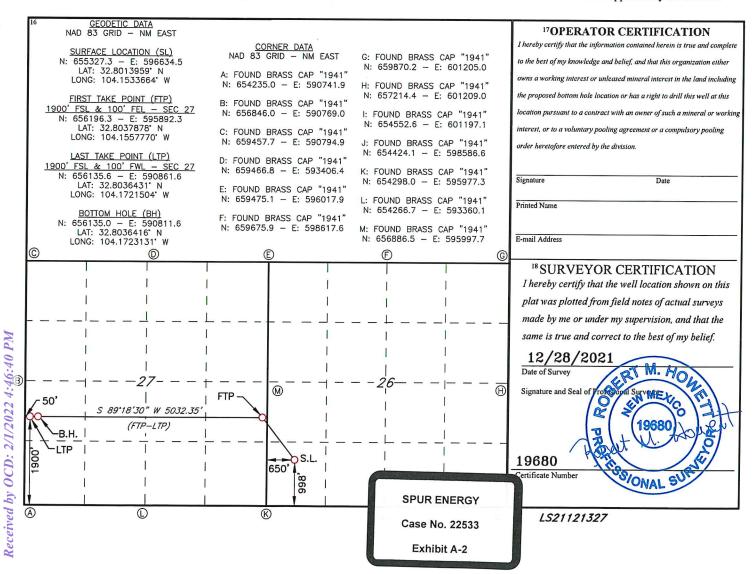
### State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

			WE	ELL L	OCAT	TION AND	) ACF	REAGE DEDIC	CATION PLA	ΛT					
<sup>1</sup> API Number					<sup>2</sup> Pool	Code			<sup>3</sup> Pool Na	ime					
<sup>4</sup> Property Code					Н							Well Number			
7 OGRID NO.  8 Operator Name  SPUR ENERGY PARTNERS LLC.						<sup>9</sup> Elevation <b>3676</b>									
						10 Su	rface ]	Location							
UL or lot no.	Section	Towns	hip	Range	Lot Io	In Feet fro	m the	North/South line	Feet From the	East/We	est line	County			
M	26	178	; ;	28E		99	8	SOUTH	650	WE:	ST	EDDY			
				11 <b>I</b>	3otton	n Hole Loc	cation	If Different Fr	om Surface						
UL or lot no.	Section	Towns	hip	Range	Lot Id	In Feet fro	m the	North/South line	Feet from the	East/We	est line	County			
L	27	7   17S   28E			190	00	SOUTH	50	WES	ST	EDDY				
12 Dedicated Acres 13 Joint		or Infill	14 Con	solidation	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.



### Exhibit A-3

North Half of South Half (N/2 S/2) of Section 27, Township 17 South, Range 28 East, Eddy County, New Mexico as to those depths from the Top of the Yeso Formation to 4000'.

SECTION 27-T17S-R28E (640.00 acres) TRACT 10: TRACT 11: TRACT 12: TRACT 13: NW/4 NW/4 NE/4 NW/4 **NW/4 NE/4** NE/4 NE/4 TRACT 1: S/2 NW/4 TRACT 2: S/2 NE/4 TRACT 7: TRACT 8: TRACT 9: NW/4 SW/4 NE/4 SW/4 N/2 SE/4 TRACT 4: SW/4 SE/4 TRACT 6: TRACT 5: TRACT 3: SW/4 SW/4 SE/4 SW/4 SE/4 SE/4

### Tract 7: NW4 SW4 of Section 27-17S-28E (NM State Lease No. B1-1593-0010)

Occidental Petroleum Corporation

100% Working Interest

### Tract 8: NE4 SW4 of Section 27-17S-28E (NM State Lease No. X0-0647-0324)

<ul> <li>EOG Resources Inc.</li> </ul>	43.75% Working Interest
Vladin LLC	25.00% Working Interest
<ul> <li>Sharbro Energy, LLC</li> </ul>	18.75% Working Interest
<ul> <li>Spiral, Inc.</li> </ul>	7.14% Working Interest
<ul> <li>Jalapeno Corporation</li> </ul>	7.14% Working Interest
<ul> <li>Yates Energy Corporation</li> </ul>	2.37% Working Interest

### Tract 9: N2 SE4 of Section 27-17S-R28E (NM State Lease No. B0-2071-0023)

SEP Permian LLC

100% Working Interest

SPUR ENERGY Case No. 22533 Released to Imaging: 2/1/2022 4:49:55 PM

Exhibit A-3

### RECAPITULATION

Tract Number	D.	Number of Acres Committed	Percentage of Interest in Unit
	7	40	25.00%
	8	40	25.00%
	9	80	50.00%
TOTAL		160	100.00%

SEP Permian LLC 9655 Katy Freeway, Ste 500	50.00% Working Interest
EOG Resources Inc 104 S. 4th Street	10.94% Working Interest
Artesia, New Mexico 88210	
Jalapeno Corporation P.O. Box 1608	0.75% Working Interest
Albuquerque, New Mexico 87103	
Occidental Petroleum Corporation 5 Greenway Plaza, Ste 110	25.00% Working Interest
Houston, Texas 77046	
Sharbro Energy, LLC P.O. Box 840 Artesia, New Mexico 88211	4.69% Working Interest
Spiral, Inc. P.O. Box 1933	1.78% Working Interest
Roswell, New Mexico 88202	
Vladin LLC P.O. Box 100	6.25% Working Interest
Artesia, New Mexico 88211	
Yates Energy Corporation P.O. Box 2323 Possible New Maries 88222	0.59% Working Interest
Roswell, New Mexico 88202	

Total 100% Working Interest

### **Leasehold Interest:**

**SEP Permian LLC** 9655 Katy Freeway, Ste 500 Houston, Texas 77024

**EOG Resources Inc** 104 S. 4th Street Artesia, New Mexico 88210

Jalapeno Corporation P.O. Box 1608 Albuquerque, New Mexico 87103

Occidental Petroleum Corporation 5 Greenway Plaza, Ste 110 Houston, Texas 77046

Sharbro Energy, LLC P.O. Box 840 Artesia, New Mexico 88211

Spiral, Inc. P.O. Box 1933 Roswell, New Mexico 88202

Vladin LLC P.O. Box 100 Artesia, New Mexico 88211

Yates Energy Corporation P.O. Box 2323 Roswell, New Mexico 88202

### **Overriding Royalty Interests:**

The Wright Company

### **Pooled Parties:**

Occidental Petroleum Corporation EOG Resources, Inc Vladin, LLC Sharbro Energy LLC Spiral, Inc. Yates Energy Corp. Jalapeno Corp.

Released to Imaging: 2/1/2022 4:49:55 PM



January 13, 2022

EOG Resources, Inc. Attn: Terry Gant 104 S. 4<sup>th</sup> Street Artesia, NM 88210

RE: Notice - Halberd 27 State Com 21H

<u>Updated Surface Hole Locations</u> Section 27: N2S2 – 17S, R28E Eddy County, New Mexico

Dear Potential Working Interest Owner,

Pursuant to the **Halberd 27 State Com 21H** proposal dated November 12, 2021, SEP Permian LLC, an affiliate of Spur Energy Partners LLC ("Spur") has since updated the Surface Hole Locations. Please see the below changes in location per well.

### Halberd 27 State Com 21H well - Horizontal Yeso Well, Eddy County, NM

- Old Proposed Surface Hole Location 1845' FSL & 465' FEL, Section 28, T17S-R28E
- New Proposed Surface Hole Location 998' FSL & 650' FWL, Section 26, T17S-R28E
- Proposed Bottom Hole Location 1900' FSL & 50' FEL, Section 27, T17S-R28E
- TVD: 3900'

Be Bel

If you have any questions concerning the updated information for the four wells, please contact Murphy Lauck by phone at 832-982-1087 or by email to mlauck@spurenergy.com

Sincerely,

Blair Brummell Senior Landman

Received by OCD: 2/1/2022 4:46:40 PM

SPUR ENERGY

Case No. 22533

Exhibit A-4



November 12, 2021

EOG Resources, Inc. 104 S. 4<sup>th</sup> Street Artesia, NM 88210

Sent Certified Mail, Return Receipt Requested

RE: Well Proposals – Halberd 27 State Com 21H
Proposed Spacing Unit
Section 27: N2S2 – 17S, R28E
Eddy County, New Mexico

Dear Working Interest Owner,

SEP Permian LLC, an affiliate of Spur Energy Partners LLC, ("Spur"), hereby proposes to drill and complete the Halberd 27 State Com 21H as a horizontal Yeso well (the "Subject Well") to the approximate total vertical depth as referenced below at the following proposed location (subject to change upon staking of the wells and/or pads).

### Halberd 27 State Com 21H well - Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location 1845' FSL & 465' FEL, Section 28, T17S-R28E
- Proposed Bottom Hole Location 1900' FSL & 50' FEL, Section 27, T17S-R28E
- TVD: 3900'
- Total AFE: \$3,227,000

Spur proposes to form a Drilling Spacing Unit ("DSU") covering the North Half of the South Half (N2S2) of Section 27-T17S-R28E, Eddy County, New Mexico, containing 160 acres of land, more or less, from the top of the Yeso formation to 4000'. 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 hereby submits for your consideration, a new Joint Operating Agreement dated July 1, 2022, being a modified 2015 Horizontal AAPL Form 610 Operating Agreement ("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 related concept wells and operations within the DSU. The NJOA has the following general provisions:

- Effective Date of July 1, 2022
- Contract Area consisting of N2S2 of Section 27, Township 17 South, Range 28 East limited to a depth from the top of the Yeso to 4000'
- 100%/300%/300% non-consenting penalty
- \$8,000/\$800 drilling and producing monthly overhead rate
- Spur Energy Partners LLC named Operator

Please find the enclosed AFE's reflecting a total well cost estimate for drilling and completing costs for each well. Spur respectfully requests that you select one of the following four options with regard to your interest in the proposed well(s).



Option 1: Participate in the drilling and completion of the proposed well

Option 2: Elect to not participate in the proposed well (an election of "Non-Consent")

Term Assignment Option: Assign your working interest in the Contract Area, exclusive of wellbores of existing wells, to Spur through a Term Assignment with a primary term of (3) years and a bonus consideration of \$500 per net acre, delivering 80% leasehold net revenue interest (limited to the Yeso formation).

Assignment Option: Assign all your working interest in the Contract Area, exclusive of wellbores of existing wells, to Spur for a bonus consideration of \$1,500.00 per net acre delivering all rights owned.

Please indicate your election as to one of the above four options in the space provided below and execute and return a copy of this letter to Spur by U.S. mail to the letterhead address below within 30 days of receipt of this proposal. If a voluntary agreement cannot be reached in 30 days of receipt of this letter, please be advised Spur may apply to the New Mexico Oil and Conversation Division for compulsory pooling of any uncommitted interest owners into a spacing unit for the proposed wells if uncommitted at such time.

In the event you would like to assign your interest under the terms outlined above by way of the Term Assignment Option or Assignment Option, please signify your intentions by signing the enclosed Assignment Election page and returning an executed W-9. Upon receipt Spur will submit an Assignment for your review and acceptance.

If you have any questions concerning the proposed wells, please contact Murphy Lauck by phone at 832-982-1087 or by email to mlauck@spurepllc.com

Sincerely,

Blair Brummell Senior Landman

Released to Imaging: 2/1/2022 4:49:55 PM

	N.	7	U		3
E	N	Ę	R	G	Y

Option 1) The undersigned elects to participate in the drilling and completion of the Halberd 27 State Com 21H well. Enclosed please find our share of the payment of the estimated AFE costs based upon the calculation of its working interest as stated above, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the Unit.
Option 2) The undersigned elects not to participate in the drilling and completion of the proposed Halberd 27 State Com 21H well.
Agreed to and Accepted this day of, 2021.
Company/Individual:
Ву:
Name:
Title



Title:



### Authority for Expenditure Drill, Complete, & Equip



Released to Imaging: 2/1/2022 4:49:55 PM

Operator :	Spur Energy Partners LLC	
	HALBERD 27 STATE COM 21H	
Location:	NEW MEXICO / EDDY	

Project : Description

THE PROPERTY OF THE PARTY.		Maria Direction	Ori	jinal		Sup	pleme	nt	Total			
ITANGIBLE DRILLING	DESCRIPTION		8/8ths	Net		8/8ths		Net	8/8ths		Net	
2050-1000	LOCATION - OPS	S	30,000	\$	- 5		\$	-	\$ 30,0	000 \$		
2050-1001	LOCATION/DAMAGES/ROW-LAND	5	10,000	\$	- 5		\$		\$ 10.0	000 S		
2050-1002	TITLE WORK/LANDMAN SERVICES - LAND	\$	60,000	\$	- 5		\$		\$ 60,0	00 S		
2050-1003	DAMAGES/ROW - LAND	\$		\$	-   5		\$		5	. 5		
2050-1005	SURVEY - LAND	\$	5,000	\$	- 5	-	S	-	\$ 5,0	00 \$		
2050-1006	ENVIRONMENTAL/ARC - LAND	5		\$	-   5	-	5	-	5 .	_		
2050-1050	DRILLING PERMITS	\$	10,000	\$	-   5		s		\$ 10.0	00 \$		
2050-1100	FISHING TOOLS & SERVICE	5		\$	-   5		\$		s .			
2050-1301	DRILLING RENTALS: SURFACE	\$	35,000	\$	.   5		s		\$ 35.0	00 S	2.	
2050-1302	DRILLING RENTALS: SUBSURFACE	\$	56,500	\$	. 5		s	-	\$ 56.5	00 S		
2050-1400	EQUIP LOST IN HOLE	s		\$	. 5	-	\$	-	\$ .	S	75	
2050-1500	DRILL MUD & COMPL FLUID	s	20,000	\$	. 5		5	-	\$ 20.0		_	
2050-1600	WELLSITE SUPERVISION	\$	18,600	\$	. 5		s		\$ 18.6			
2050-1900	GROUND TRANSPORT	s	18,000	\$	. 5		s		\$ 18.0			
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$	138,000	s	-   5	-	s	-	\$ 138,0			
2050-2001	DRILLING SERVICES-SURFACE	s	-	s	.   5		s	-	\$ -	_		
2050-2002	DRLLING SERVICES-SUBSURFACE	s		\$	. 5	-	5	-	\$ -	<del>-</del>		
2050-2004	DIRECTIONAL TOOLS AND SERVICES	5	71,000	\$	s		s	-	\$ 71.0			
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$		S	s	-	s		\$ .	-		
2050-2200	CASED HOLE WIRELINE	s		s	s		5	-	s -	- ·		
2050-2201	OPEN HOLE WIRELINE	5		5	s		s	-	s -	s	_	
2050-2401	FLUID & CUTTINGS DISPOSAL	s	55,000	\$	_	-	s	-	\$ 55,0		_	
2050-2402	FRAC TANK RENTALS	s	150	\$	s		s	-		50 \$		
2050-2600	ES&H	s		\$	_	-	s	-	s -	8	_	
2050-3000	BITS	s	25,000	\$	_	-	s	-	\$ 25.0	20 8	_	
2050-3100	OVERHEAD	S		\$ .	_		s		\$ 20,0	5	_	
2050-3125	CONSTRUCTION OVERHEAD	5		s .	s		s	-	s -	Ť		
2050-3200	CONTINGENCIES	s		s .	5		s	-	s -	<u> </u>		
2050-3400	DESIGN & ENGINEERING	\$		s .	s	16	s		s -			
2050-3600	COMPANY LABOR	s	5,000	\$ .	-		s	-	\$ 5.00	<u> </u>		
2050-3800	NON OPERATED CHARGES - IDC	s		\$ .	_	-	s	-	\$ -	3		
2050-3900	FUEL, WATER & LUBE	s	48.000	\$ .	_		s	-	\$ 48,00			
2050-4000	CEMENT	s	25,000	s .	_		s	-	\$ 25.00			
2050-4001	CASING CREWS AND LAYDOWN SERVICES	s		\$ .	s	<del>-</del> -	s		\$ 10.00			
2050-4002	SURFACE AND INTERMEDIATE SERVICE	s		s .	<u> </u>		s	-	\$ 10,00	5		
2050-4003	PROD CSG CEMENT AND SERVICE	s	38,000	\$ .	s		s		\$ 38,00			
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	S		\$ .	Š		s	-	\$	S		
2050-4101	CORES, DST'S, AND ANALYSIS	s		\$ .	Š		1	-	s -	s		
2050-8000	MUD LOGGER	s		s	٦ř	-	s	-		0 5		
2050-8001	MOB/DEMOB RIG	s		s -	Š	-	s	$\overline{}$	\$ 40,00			
2050-8003	VACUUM TRUCKING	s		s -	15		s	_	\$ 40,00	5	<del>-</del> :	
2050-8005	DRILLPIPE INSPECTION	- 1		5 -	s	-	s		\$ 5.00	_	_:	
2050-8007	CONTRACT LABOR/SERVICES	5	30,000		_	<del>-</del> -	s		\$ 30,00		<del></del> :	
2050-8009	MISC IDC/CONTINGENCY	5		\$ -	<u> </u>	<u>:</u>	\$		\$ 68.55			
THE SHALL SH	INTANGIBLE DRILLING	SUBTOTAL \$	829,000	•	_	NO COLUMN	\$		\$ 829,00		10051 N	

		· 2000年1月1日 · 1000年1月1日 · 1000年1月日 · 1000年1日 ·						Original							olemen	1	Т	T	otal	1000
TANGIBLE DRILLING DESCRIPTION	DESCRIPTION	8.8		8 8ths		Net		8ths	Net			8/8ths	_	Net						
2051-2500	SUPPLIES & SMALL TOOLS		s		s		5				1	-								
2051-2700	COMMUNICATION		s		s	-	1		5	-	Ť	-		_						
2051-3200	CONTINGENCIES		s	_	\$		l:	_ <u>-</u> -	i c		۱÷	<del>-</del>		_						
2051-3800	NON OPERATED CHARGES - TDC		\$		\$		l:		10	÷	ť	-	-							
2051-5100	SURFACE CASING		•	4,000	·	-	ť		1,0		l:	74,000	3	·						
2051-5200	INTERMEDIATE CASING		•	4,000	÷		÷	÷			ť	74,000	*	•						
2051-5300	PRODUCTION/LINER CASING		\$ 20	3.000	·	<del>-</del> -	÷	·			l:	293,000	3							
2051-5400	CONDUCTOR PIPE			0,000	_	<del>-</del> -	÷			-	ť	20,000	_	<u> </u>						
2051-5500	WELLHEAD			6,000			l.			-	l:	6,000		÷						
2051-5801	LINER HANGER/CASING ACCESSORY		_	0.000	_	-	l:	-	13	·	13	20,000		·						
2051-5803	MISC TANGIBLE EQUIPMENT		-	-	5	-	÷	<del>-</del> -	1	÷	÷	20,000	-	_						
	TANGIBLE DRILLING	UBTOTAL	4 41	3,000		COLUMN TO A STATE OF	÷			SAME PARTY	۱÷		\$							
				2,000		1000	Gilli	100000	E DESIGN		\$10 (3)6	413,000 PZP4000	_	-						

			ginal	Supp	lement	To	tal
INTANGIBLE COMPLETION	DESCRIPTION	8 8ths	Net	8/8ths	Net	8/8ths	Net
2055-1000	LOCATION	\$ -	\$ -	s -	5 -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	s -	s -	s -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	s -	s -	2 - 2
2055-1100	FISHING TOOLS & SERVICE	\$ -	s -	s -	s -	s -	s .
2055-1300	EQUIP RENT	\$ 25,000	s -	s -	s -	\$ 25,000	\$ .
2055-1301	RENTALS: SURFACE IRON	\$ 45,000	s -	s -	s -	\$ 45,000	
2055-1302	DRILLING RENTALS: SUBSURFACE	s -	s -	s -	s -	\$ .	s .
2055-1400	EQUIP LOST IN HOLE	s -	s -	s -	s -	\$ .	\$ .
2055-1500	DRILL MUD & COMPL FLUID	\$ 255,000	s -	s -	s -	\$ 255,000	s .
2055-1600	WELLSITE SUPERVISION	\$ 35,000		\$ -	s -	\$ 35,000	
2055-1800	COMPLETION CHEMICALS	\$ 141,000		s .		\$ 141,000	
2055-1900	GROUND TRANSPORT	\$ 10,000	-	s -	s -		s .
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ .	s -		\$ .
2055-2100	PUMPDOWN	\$ 25,000	s .	s -	•	*	\$ .
2055-2200	CASED HOLE WIRELINE		s -	s .	s -	_	3 .
2055-2300	FRAC PLUGS	\$ 40,000	s -	\$ -	s -		\$ .
2055-2400	WELL PREP	\$ .	s -	\$ -	•		\$ .
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 10,000	-	s -	s -	\$ 10,000	
2055-2402	FRAC TANK RENTALS	\$ 12,000		s -	-	\$ 12,000	
2055-2403	FLOWBACK		s -	s -	s -		\$ .
2055-2600	ES&H	\$	s -	s .	s -		5
2055-2900	INSURANCE	\$ .	s -	s -	s -		-
2055-3000	BITS	\$ .	s -	s -			\$ .
2055-3100	OVERHEAD	s .	s -	s -	\$ -	-	<del>•</del> :
2055-3125	CONSTRUCTION OVERHEAD	s -	<u> </u>	s -	\$	-	-
2055-3200	CONTINGENCIES	s -	\$ .	s -	\$ .	•	
2055-3300	SPECIALIZED SERVICE	s -	\$ -	\$ .	\$ .	-	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES		\$ .	-	-	\$ 373,750	
2055-3400	PROPPANT		5 .		\$ .		
2055-3600	COMPANY LABOR	\$ 158,000	\$ .	\$ -	\$ -	\$ 158,000	
	1	<b>a</b> -	• •	<b>-</b>	\$ -	\$ -	\$ -

-
P
5
10
0
7
- 2
1
4.
C
Ci.
0
O
$\sim$
C)
100
20
PROPER
90
2
200
. =
Property live
-
to
-
2
Se
- 23
3
0
-
~
$\approx$
- 1

The state of the s	INTANGIBLE COMPLETION SUBTOTAL	\$	1,431,250	\$	100 -100	\$	ADJECTOR'S	\$	Letterstein	\$ 1	1.431.250		10190729
2055-8008	CONTRACT LABOR - FRAC	\$	-	\$		\$	-	\$	-	5	-	5	÷
2055-8007	CONTRACT LABOR - WELL LEVEL	\$	15,000	s	-	s	-	s		ŝ	15,000		_
2055-8006	CONTRACT LABOR - ELECTRICAL/AUTOMATION	\$	20,000	\$		s	-	s	-	s	20,000	s	
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$	16,500	\$		\$		\$		5	16.500	s	
2055-8004	CONTRACT LABOR/SERVICES	\$	-	\$	-	\$		\$		5		s	-
2055-8003	COIL TUBING, SNUBBING, NITRO SVC	\$		\$	-	\$		\$		\$		s	
2055-8002	KILL TRUCK	\$	2,500	\$	-	5		\$		\$	2,500	\$	
2055-8001	COMPLETION/WORKOVER RIG	\$	10,000	\$		\$	-	\$		5	10,000	\$	
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$	2,500	5	-	\$		\$		\$	2,500	\$	-
2055-4000	CEMENT	\$	-	\$	-	\$		\$		\$	- 1	\$	
2055-3900	FUEL, WATER & LUBE	\$	130,000	\$		\$	-	\$	-	s	130,000	s	
2055-3800	NON OPERATED CHARGES - ICC	\$	-	\$		\$		\$		\$	-	s	
2055-3750	DAMAGES/ROW	3		\$	-	s	-	\$		s		s	

ACCUPATION OF THE PARTY OF THE PARTY.	[1] [1] [1] [2] [2] [2] [2] [2] [2] [2] [2] [3] [3] [4] [4] [4] [4] [4] [4] [4] [4] [4] [4		Ori	ginal	and the		Supp	lemer	it		T	otal	- 100
ANGIBLE COMPLETION	DESCRIPTION		8/8ths		Net		8/8ths		Net	т	8/8ths		Net
2065-2500	SUPPLIES & SMALL TOOLS	s		s	-	s	-	5	-	s			
2065-2700	COMMUNICATION	s	-	s		Š		i è	_	Š		-	_
2065-3000	BITS	l,		s	<del>-</del>	ť	- ÷	1:	÷	13	-	s	_
2065-3200	CONTINGENCIES	Ť	-	s	·	Š	<del>-</del> :	1:	÷	<del>l:</del>	<u>-</u> -	1	•
2065-3800	NON OPERATED CHARGES - TCC	Ť	<del>.</del>	s	-:-	Š	_ <u>-</u> -	1:	÷	13		3	
2065-4102	WATER SUPPLY WELL	١÷		s	÷	ť		13	÷	3	•	3	
2065-5001	OVERHEAD POWER	Š	12,750	-		ı.	<del>-</del>	13	÷	÷	40.750	3	-
2065-5002	PARTS & SUPPLIES - ARTIFICIAL LIFT	š	50,000		÷	l:	<del>-</del> -	1,		3	12,750		-
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	5	5,000		÷	l:	—÷	s	<u> </u>	l.	50,000		-
2065-5004	PARTS & SUPPLIES - WELL LEVEL	ŝ	20,000		÷	l:	_ <u>:</u>	-	- 19	\$	5,000		_
2065-5100	TUBING	ŝ	45,000			1	_ <u>:</u>	\$	-	5	20,000		-
2065-5200	TUBING HEAD/XMAS TREE	ŝ	21,000		_	s	_	+	-	15	45,000		
2065-5300	SUBSURFACE EQUIP	ť	21,000	s		1	•	\$	•	\$	21,000	\$	
2065-5400	PACKER AND SUBSURFACE EQUIPMENT	l:		5		1	<u> </u>	\$	-	13	<u> </u>	\$	_
2065-5500	SUBSURFACE PUMP, RODS, AND ACCES	1:		•	<u> </u>	ŀ	<u> </u>	\$	_ •	\$		\$	-
2065-5600	PUMPING & LIFTING EQUIP	*		•	•	1	<u> </u>	\$		3	-	\$	
2065-5900	HEALTH, SAFETY, AND ENVIRONMENTAL	5		S	-	1	_ •	\$	•	1	-	\$	
2065-5901	LINER HANGER/CASING ACCESSORY	÷		-		\$		\$		15	-	\$	
2065-5902	PACKERS/OTHER DOWNHOLE EQUIP	\$		\$	•	3		\$	-	3	-	\$	
2065-5903	MISC TANGIBLE EQUIPMENT	l <del>:</del>	-	\$	-	\$		\$		3	-	\$	
	TANGIBLE COMPLETION SUBTOTAL	3	153,750	•	· sensore	÷		,		3	-	\$	
	COMPLETION TOTAL					3	•	5	10-11-11		153,750		Y 6.

	<b>经验证的证据的证据的证据的证据的证据的证明的证明的证明的证明的证明的证明</b>		Ori	ginal			Supp	demen			T	otal	46
ITANGIBLE FACILITY	DESCRIPTION		8/8ths		Net		8 8ths		let		8 8ths		Net
2056-1006	ENVIRONMENTAL/ARC - LAND	s		s	-	s		s	-	5	-	•	-
2056-2002	FACILITY PAD CONSTRUCTION	Š	15,000	Š		Š		-		İŝ	15,000	÷	
2056-2006	MISC INTANGIBILE FACILITY COSTS	Š	5,000			Š	<del></del>	5	— <del>:</del>	ť	5,000	+-	÷
2056-2008	CONTRACT LABOR - AUTOMATION	Š	6,500			Ť		÷	÷	ť	6,500		<u> </u>
2056-2009	EQUIPMENT RENTALS	Š	5,000			Ť		1	÷	÷	5,000		
2056-2010	FREIGHT & HANDLING	Š	5,000			Ť	144	1		÷	5,000	-	
2056-2012	CONTRACT LABOR - ELECTRICAL	s	15,000			l÷.		÷	_	ŝ	15,000	-	
2056-2013	FACILITY CONSTRUCTION LABOR	Ť	55,000	_		l:		1	<u> </u>	÷	55,000	-	
2056-2014	PIPELINE LABOR	Ť		Š		Ť		1:		l:		3	
2056-2016	LOCATION/DAMAGES/ROW-LAND	Ť		÷		ť			-	l:		3	
2056-2017	TITLE WORK/LANDMAN SERVICES - LAND	Ť		÷	÷	ť	<del>-</del>	1	-	l:	<u> </u>	3	<u> </u>
2056-2019	NON OPERATED CHARGES - IFC	Š		5		ť	-	1	÷	÷		3	
NAME OF TAXABLE PARTY.	INTANGIBLE FACILITY SUBTOTAL	ŝ	106,500	\$	SHE THE	3	AND SAFE TO SAFE		0000000	ż	106,500	•	200000

Marking and wind of the last	THE SEPTEMBER OF THE PROPERTY OF THE PARTY O		Or	gina			Supp	leme	nt	Т	T	otal	
ANGIBLE FACILITY	DESCRIPTION		8/8ths		Net		8/8ths		Net	Т	8/8ths		Net
2066-1200	VESSELS	\$	65,000	s		s		s	-	s	65,000	5	
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	1 5		5		s	-	5		Ť		Ť	
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	s	15,000	s		s		s	-	Ìš	15,000	ŧ	_
2066-1600	LACT	s	20,000		-	Š		5	-	ŝ	20,000		_
2066-1700	AUTOMATION METERS, SENSORS, VALVES, & SCREENS	s	25,000		-	Š		Š	_	Š	25,000		
2066-1900	LEASE AND FLOW LINES	s	-	s		Š		i.	7.	š	25,000	<del>l:</del>	_
2066-2000	CATHODIC PRCT-SOLAR PWD	İs		s		Š	-	i,		Š	<del>-</del>	s	_
2066-2003	MISC FITTINGS & SUPPLIES	s	22,500	-		Ť		Ť		\$	22.500	<u> </u>	_
2066-2004	PUMPS & PUMP SUPPLIES	İŝ	6,000	-		Ť		10		ŝ	6,000	-	
2066-2005	PUMP & FILTERS	Š		s		Ť		l:	<del>-</del> -	ŝ	0,000	5	_
2066-2006	MISC TANGIBLE FACILITY COSTS	s	5,000	÷		÷		s	÷	ŝ	5,000	-	_
2066-2007	TANKS (OIL & WATER)	Š	40,000			÷		s	-	ŝ	40,000		_
2066-2015	CONTAINMENT	Š	15,000	-		÷	- <del>:</del>	s	<u> </u>	3	15,000		
2066-2017	SWD WELLS	<del>اڏ</del>	13,000	÷	-	s	_ <u>-</u> -	s	-÷	÷		-	_
2066-2018	NON OPERATED CHARGES - TFC	Ť		÷		*		3	_ <u>:</u>	3	•	3	-
2066-2019	PIPING	š	15,000	-		*	-	3	_	\$	45.000	3	_
2066-2020	ELECTRICAL - FACILITY	1 s	65,000		÷	\$	-:-	1		÷	15,000 65,000		
	TANGIBLE FACILITY SUBTOTAL	š	293,500		25,500,751	·		\$	No.	3	293,500		-
Service and the service of the servi	FACILITYTOTAL	_			and the same of th	of Section		5	1000	-	400,000	-	W. 10.

HALBERD 27 STATE COM 21H TOTAL WELL ESTIMATE		Original					nt	Total			
The state of the s	8/8ths		Net	1	8/8ths		Net	8/8ths	Net		
DRILLING TOTAL	\$ 1,242,000	\$	STREET, STREET,	S	No. of Concession,	\$		\$ 1,242,000	5 -		
COMPLETION TOTAL	\$ 1,585,000	8	DESIGNATION	\$	SPECIAL PROPERTY.	\$	NAME OF STREET	\$ 1.585,000	CHEMINA		
FACILITY TOTAL	\$ 400,000	(3)	10000	S	DESIGNATION .	\$	NAME OF	\$ 400,000	\$		
TOTAL WELL COST	\$ 3,227,000	•				•		5 7 227 000	CO-COLUMN TO THE PARTY OF THE P		

Partner Approval	
Signed	Company
Name	Date
itle	
nge -	

### Halberd 27 State Com 21H – Chronology Efforts

11.12.21	Well Proposals to Occidental Petroleum Corporation Well Proposals to EOG Resources, Inc. Well Proposals to Vladin, LLC Well Proposals to Sharbro Energy, LLC Well Proposals to Spiral, Inc. Well Proposals to Yates Energy Corporation Well Proposals to Jalapeno Corporation
11.15.21 - 11.18.22	Parties received Well Proposals
12.22.21	Received Election from Sharbro Energy, LLC to participate
12.30.21	Received Election from Vladin, LLC to participate
1.6.22	Mailed out JOAs to Sharbro Energy, LLC and Spiral, Inc.
1.10.22 - 1.11.22	Parties received JOAs
1.10.22	Received Election from Vladin, LLC to participate
1.14.22	Mailed out Notice of Updated Calls to parties
1.18.22	Sent out JOA to Vladin, LLC
1.19.22	Received signed JOA from Sharbro, Energy LLC
1.19.22- present	Anticipating executed JOAs from remaining parties

SPUR ENERGY

Case No. 22533

Exhibit A-5



### HINKLE SHANOR LLP

ATTORNEYS AT LAW
PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554 (FAX) 505-982-8623

WRITER:

Dana S. Hardy, Partner dhardy@hinklelawfirm.com

January 7, 2022

### <u>VIA CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

### TO ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re:

Case No. 22533

Application of Spur Energy Partners, LLC for compulsory pooling, Eddy

County, New Mexico.

To whom it may concern:

This letter is to advise you that Spur Energy Partners, LLC filed the enclosed application with the New Mexico Oil Conservation Division. The hearing will be conducted on **February 3**, **2022** beginning at 8:15 a.m.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>. 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.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date. The statement must be filed at the Division's Santa Fe office or submitted through the OCD E-Permitting system (<a href="https://www.apps.emnrd.state.nm.us/ocd/ocdpermitting/">https://www.apps.emnrd.state.nm.us/ocd/ocdpermitting/</a>) 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. Please do not hesitate to contact me if you have any questions about this matter.

Thank you,

/s/ Dana S. Hardy

Dana S. Hardy

SPUR ENERGY

Case No. 22533

Exhibit A-6

Enclosure

Received by OCD: 2/1/2022 4:46:40 PM

PO BOX 10 ROSWELL, NEW MEXICO 88202 575-622-6510 (FAX) 575-623-9332 PO BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623 7601 JEFFERSON ST NE • SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321

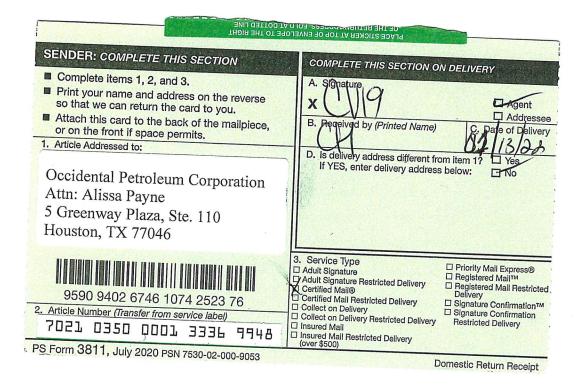
1962	CERTIFIED MAIL® RECEIPT  Domestic Mail Only
<u> </u>	For delivery information, visit our website at www.usps.com®.
므	OFFICIAL USE
333	Certified Mail Fee \$
1000	Extra Services & Fees (check box, add fee as appropriate)    Return Receipt (hardcopy) \$   Postmark     Certified Mall Restricted Delivery \$   Here     Adult Signature Required \$
0320	Adult Signature Restricted Delivery \$  Postage \$ Total Postage and Fees
	\$ 2898
7021	Sent To  EOG Resources, Inc.  Attn: Terry Gant 104 S. 4th Street Artesia, NM 88210
	PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON D	DELIVERY
Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.  1. Article Addressed to:  EOG Resources, Inc. Attn: Terry Gant 104 S. 4 <sup>th</sup> Street	A. Signature  B. Received by (Pfinted Mame)  D. Is delivery address different from If YES, enter delivery address by	C. Date of Delivery
Artesia, NM 88210  9590 9402 6746 1074 2523 52  2. Article Number (Transfer from service label)  7073 0350 0001 3335 9962	3. Service Type  Adult Signature  Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Insured Mail Insured Mail	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricte □ Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery

55	CERTIFIED MAIL® RECEIPT  Domestic Mail Only
	For delivery information, visit our website at www.usps.com®.
л	OFFICIAL USE
333	Certified Mail Fee \$
1000	Extra Services & Fees (check box, add fee as appropriate)  Return Receipt (nardcopy)  Return Receipt (electronic)  Certifled Mall Restricted Delivery  Adult Signature Required  Heire
0320	Adult Signature Restricted Delivery \$ Postage \$ Total Postage and Fees
7021	\$ Sent To Jalapeno Corporation  Street and Apr. 1 P.O. Box 1608 Albuquerque, NM 87103  City, State, ZIP+
	PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.  1. Article Addressed to:  Jalapeno Corporation P.O. Box 1608 Albuquerque, NM 87103	A. Signature  X
9590 9402 6746 1074 2523 69  2 Addicto Number (Transfer from service label)  7021 0350 0001 3336 9955	3. Service Type  □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Collect on Delivery □ Collect on Delivery □ Insured Mail □ Insured Mail □ Insured Mail Restricted Delivery (over \$500) □ Priority Mail Express® □ Registered Mail Testricted Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery □ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

9948	CERTIFIED MAIL® RECEIPT  Domestic Mail Only	
5	For delivery information, visit our website at www.usps.com®.	
36	OFFICIAL USE	
33	Certified Mail Fee	
1000	Extra Services & Fees (check box, add fee as appropriate)    Return Receipt (hardcopy) \$     Return Receipt (electronic) \$     Certified Mail Restricted Delivery \$     Adult Signature Required \$	
0320	Adult Signature Restricted Delivery \$ Postage \$ Total Postage and Fees	
7021	\$ Sent To Occidental Petroleum Corporation Street and Apt. Attn: Alissa Payne 5 Greenway Plaza, Ste. 110	
	City, State, ZiF. Houston, 1X 7/046  PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	



993T	CERTIFIED MAIL® RECEIPT  Domestic Mail Only
Ē	For delivery information, visit our website at www.usps.com®.
묘	OFFICIAL USE
E	Certified Mail Fee
m	
П	Extra Services & Fees (check box, add fee as appropriate)  Return Receipt (hardcopy)
	Return Receipt (electronic) \$ Postmark
0007	Certified Mail Restricted Delivery \$ Here
_	Adult Signature Restricted Delivery \$
2	Postage
17)	
03	Total Postage and Fees
	1 Dens
'n	Sent To Sharbro Energy, LLC
7027	Street and Ap. P.O. Box 840 Artesia, NM 88211
	City, State, Z
	PO F
	PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

	Charles and a Li	in the state of th
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> <li>Sharbro Energy, LLC</li> <li>P.O. Box 840</li> <li>Artesia, NM 88211</li> </ul>	B. Received by (Printed Name)  D. Is delivery address different from If YES, enter delivery address	
9590 9402 6746 1074 2523 83  2 Asticle Number Transfer from service Jabell, 7021 0350 0001 3336 9931	3. Service Type  Adult Signature Adult Signature Restricted Delivery Cortified Mail® Cortified Mail Restricted Delivery Collect on Delivery Collect on Delivery Insured Mail Insured Mail Restricted Delivery (over \$500)	☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery☐
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt

다 나	CERT	IFIED MAIL® RECEIPT  : Mail Only
	For deliver	y information, visit our website at www.usps.com®.
35	0	FFICIAL USE
33	Certified Mail F	
1000	Return Receig Return Receig Certified Mail Adult Signatu	ot (electronic) \$ Postmark   Restricted Delivery \$ Here
0320	Postage \$ Total Postage	
П	\$ Sent To	
7027	Street and Ap	Spiral, Inc. P.O. Box 1933 Roswell, NM 88202
	PS Form 380	0, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3.  Print your name you.  Attach this card to the back of the mailpiece, or on the front if space permits.  1. Article Addressed to:  Spiral, Inc. P.O. Box 1933 Roswell, NM 88202	A. Signature  A. Signature  Addressee  B. Received by (Printed Name)  D. Is delivery address different from item 1?  If YES, enter delivery address below:  No  SS 8320
9590 9402 6746 1074 2523 90  2 Article Number (Transfer from service label)  7021 0350 0001 3336 9924	3. Service Type  □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery □ Insured Mail Restricted Delivery □ Insured Mail Restricted Delivery (over \$500) □ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Signature Confirmation™ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

9917	CERTIFIED MAIL® R Domestic Mail Only	ECEIPT	
-	For delivery information, visit our website at www.usps.com®.		
7	OFFICIA	LUSE	
E	Certified Mail Fee		
m	<b>S</b>		
- 7	Extra Services & Fees (check box, add fee as appropri	nate)	
1000	Return Receipt (electronic)	Postmark	
	Certified Mail Restricted Delivery \$	Here	
	Adult Signature Required \$		
	Adult Signature Restricted Delivery \$		
	Postage	X	
ш,	\$	N /	
0350	Total Postage and Fees	Name of the state	
	\$		
7027	Sent To		
	Vladin, LLC		
P-	Street and Apt. No. P.O. Box 100 Artesia, NM 88211		
	City, State, ZIP+4		
	only, claire, and its		
	PS Form 3800, April 2015 PSN 7530-02-000-904	7 See Reverse for Instructions	

The Market Control of the Control of		
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> <li>Vladin, LLC</li> <li>P.O. Box 100</li> <li>Artesia, NM 88211</li> </ul>	A. Signature  X	
9590 9402 6746 1074 2524 06 2_Article Number (Transfer from service label) 7021 0350 0001 3336 9917	3. Service Type  □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Collect on Delivery □ Collect on Delivery □ Insured Mail □ Insured Mail Restricted Delivery (over \$500) □ Priority Mail Express® □ Registered Mail TM □ Registered Mail Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt	

9900	CERTIFIED MAIL® RECEIPT  Domestic Mail Only		
Ē	For delive	ery information, visit our website at www.usps.com®.	
35		FFICIAL USE	
m	Certified Mail	Fee ANN CONTRACTOR	
$\Box$	\$	8 Food ( )	
H	Return Rece		
	Return Rece	· Odman	
0001	Adult Signat		
	the second section and the second second	ure Required \$	
50	Postage		
ш	\$	\ \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	
	Total Postage	and Fees	
	\$		
'n	Sent To	Yates Energy Corporation	
7021	Street and A	P.O. Box 2323 Roswell, NNM 88201	
	City, State, 2		
	PS Form 380	00, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	



### Carlsbad Current Argus.

### Affidavit of Publication Ad # 0005085509 This is not an invoice

HINKLE SHANOR LLP 218 MONTEZUMA

SANTA FE, NM 87501

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 in editions dated as follows:

01/15/2022

U Legal Clerk

Subscribed and sworn before me this January 15, 2022:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005085509 PO #: 22533 # of Affidavits1

This is not an invoice

This is to notify all interested parties, including EOG Resources, Inc.; Jalapeno Corporation; Occidental Pe-troleum Corporation; Sharbro Energy, LLC; Spiral Inc.; Vladin, LLC; Yates Energy Corporation; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct vation Division will conduct a hearing on an application submitted by Spur Energy Partners, LLC (Case No. 22533). During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The paring will be conducted. hearing will be conducted on February 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for that date: http://www.emm. d.state.nm.us/OCD/hearings. html. Applicant seeks to pool all uncommitted mineral interests from the top of the Yeso formation to a depth of approximately 4,000' MD in a 160-acre, more or less, standard horizontal spacing unit com-prised of the N/2S/2 of Section 27, Township 17 South, Range 28 East in Eddy County. New Mexico ("Unit"). ty, New Mexico ("Unit"). The Unit will be dedicated to the Halberd 27 State Com 21H well ("Well") to be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 26 to a bottom hole location in the NW4/SW/4 (Unit L) of Section 27. The completed interval of the Well will be orthodox. A depth severance exists in the Yeso formation. Accordingly, Spur seeks to pool uncommitted interests from the top of the Yeso formation (at a stratigraphic equivalent of approximately 3,694' MD as observed on the Geronimo '27' State Com #1 Platform Express, Azimuthal Laterolog (API No. 30-015-31173)) to ap-proximately 4,000' MD. Also to be considered will be the cost of drilling and completing the Well and the allocation of the cost, the designation of Spur Energy Partners, LLC as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles west of Loco Hills, New Mexico. #5085509, Current Argus, Jan. 15, 2022

SPUR ENERGY

Released to Imaging: 2/1/2022 4:49:55 PM

Case No. 22533

Exhibit A-7

### GY 5333

Released to Imaging: 2/1/2022 4:49:55 PM

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

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

**CASE NO. 22533** 

### SELF-AFFIRMED STATEMENT OF C.J. LIPINSKI

- 1. I am a geologist at Spur Energy Partners, LLC ("Spur") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my credentials as an expert in petroleum geology matters were accepted and made a matter of record.
  - 2. I am familiar with the geological matters that pertain to the above-referenced case.
- 3. Exhibit B-1 is a location map of the proposed horizontal spacing unit ("Unit") that shows the proposed Halberd 27 State Com 21H ("Well") well as a black line. This exhibit also identifies five wells penetrating the targeted interval that I used to construct a structural cross-section from A to A'. I used these well logs because they penetrate the targeted interval, are of good quality, and are representative of the geology in the area. Offset Glorieta/Yeso producers are shown with purple squares.
- 4. **Exhibit B-2** is a structure map of the top of the Glorieta formation, which also reflects the surrounding area in relation to the Unit. The contour interval is 25'. The Well is depicted as a black line and I have identified the bottom hole location. The map demonstrates the formation is dipping to the south-east in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted interval with horizontal wells.

SPUR ENERGY
Case No. 22533

Exhibit B

- 5. Exhibit B-3 is a structural cross-section using the representative wells identified on Exhibit B-1. It contains gamma ray, resistivity and porosity logs. The landing zone for the Well is labeled on the exhibit. The cross-section demonstrates the targeted interval within the Yeso formation is continuous across the Unit.
- 6. **Exhibit B-4** is a Gun Barrel view from B to B' of Spur's intended development of the Yeso formation. This exhibit also illustrates the depth severance with a red dotted line at approximately 4,000' TVD.
- 7. In my opinion, a laydown orientation for the Well is appropriate for the proper exploitation of subject acreage because of consistent rock properties throughout the Unit and the lack of preferred fracture orientation in this portion of the trend.
- 8. Based on my geologic study of the area, the targeted interval within the Yeso formation underlying the subject areas and Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Well.
- 9. In my opinion, the granting of Spur's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 10. Spur Exhibits B-1 through B-4 attached hereto were either prepared by me or under my supervision or were compiled from company business records.
- 11. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony in paragraphs 1 through 10 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.

Released to Imaging: 2/1/2022 4:49:55 PM

C.J. Lipinski

M15/22

Date

## Exhibit B-1: Halberd Basemap



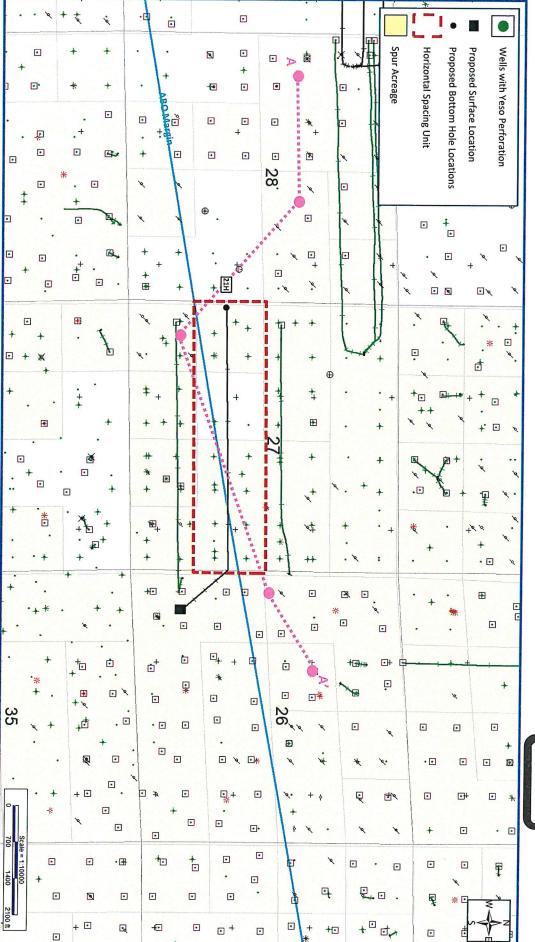




Exhibit B-1

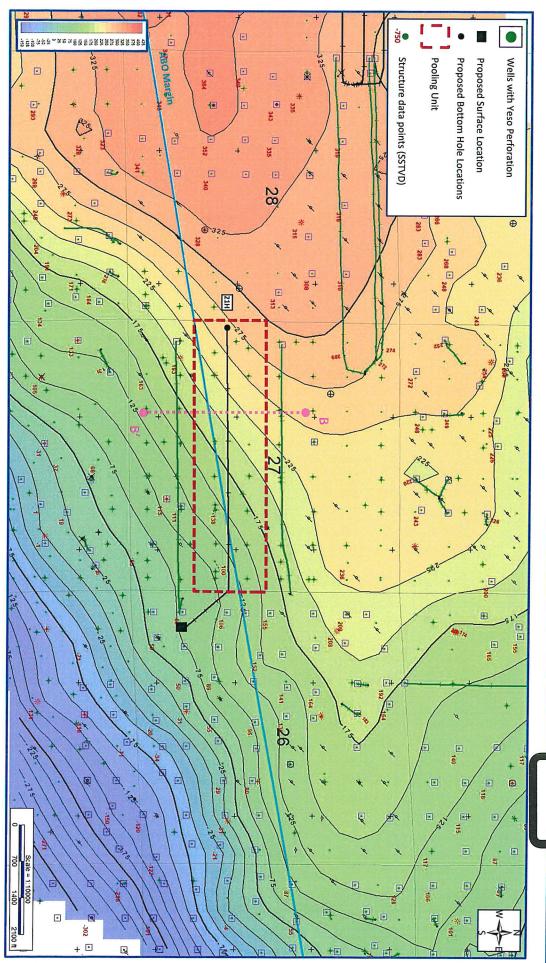
Released to Imaging: 2/1/20

SPUR ENERGY

Case No. 22533

# Exhibit B-2: Structure Map (SSTVD) - Top Glorieta

(Case No. 22533)



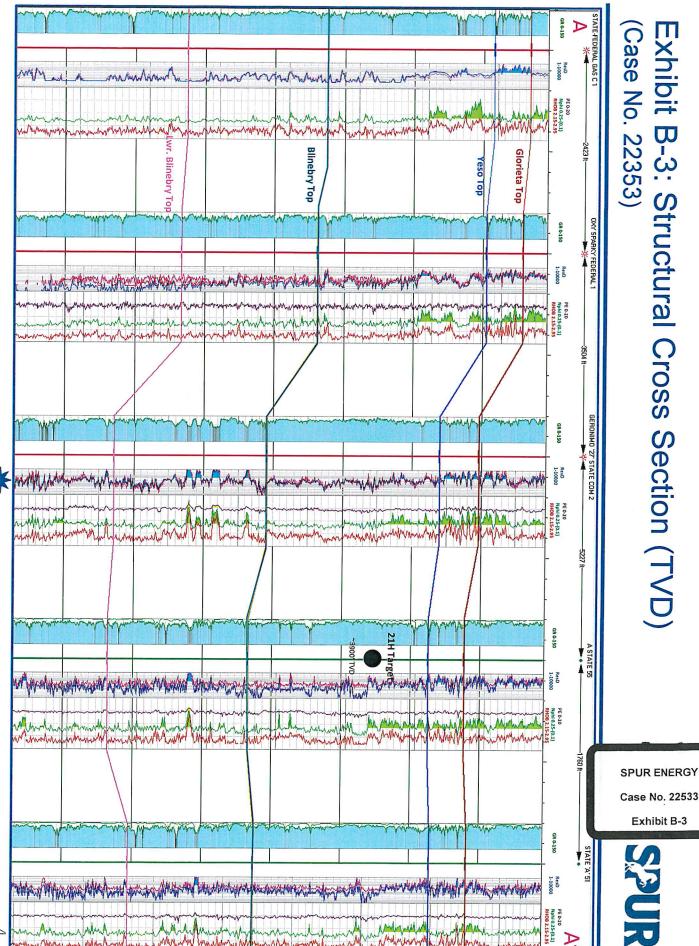


SPUR ENERGY Case No. 22533 Exhibit B-2

Released to Imaging: 2/1/N

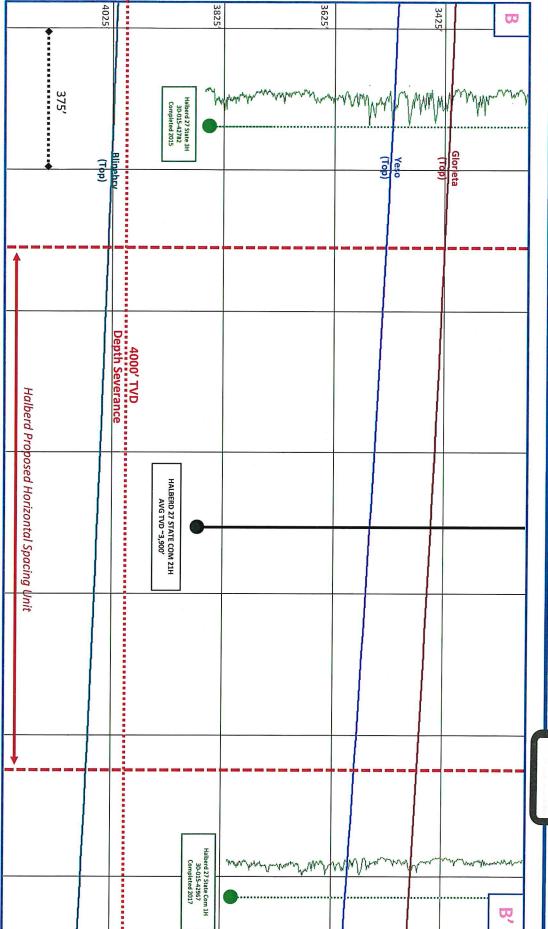
 $\omega$ 

## Exhibit B-3: Structural Cross Section (TVD) (Case No. 22353)



## Exhibit B-4: Halberd Gun Barrel (TVD)







Released to Imaging: 2/1/2022 4:49:55 PM SPUR ENERGY Case No. 22533 Exhibit B-4

