

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

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

**Case No. 24285
Order No. R-22618**

EXHIBIT INDEX

Exhibit A	Self-Affirmed Statement of Drew Oldis
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-22618
Exhibit B	Self-Affirmed Statement of Dana S. Hardy
B-1	Notice Letters to All Interested Parties
B-2	Chart of Notice to All Interested Parties
B-3	Copies of Certified Mail Receipts and Returns
B-4	Affidavit of Publication for March 10, 2024

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

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

**Case No. 24285
Order No. R-22618**

**SELF-AFFIRMED STATEMENT
OF DREW OLDIS**

1. I am a Landman with 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 land matters involved in the above-reference case. Copies of Spur’s application and proposed hearing notice are attached as **Exhibit A-1**.

3. The Division issued Order No. R-22618 in Case No. 23226 on April 13, 2023, approving a 160-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Section 22, Township 17 South, Range 28 East, Eddy County, New Mexico (“Unit”) and designating Spur as operator of the Unit. The Order further pooled all uncommitted interests within the Yeso formation in the Empire; Glorieta-Yeso Pool (Code 96210) underlying the Unit and dedicated the Unit to the Mayaro 22 State Com 10H and Mayaro 22 State Com 70H wells (“Wells”). A copy of the Order is attached as **Exhibit A-2**.

4. The Order required Spur to commence drilling the Wells within one (1) year of the date of the Order unless Spur obtained a time extension from the Division Director for good cause shown.

**Spur Energy Partners LLC
Case No. 24285
Exhibit A**

5. Good cause for an extension exists because due to system constraints and unplanned maintenance within the midstream infrastructure, Spur has had to shut-in wells for periodic gas curtailments prescribed by our third party purchaser. Thus, Spur's ability to commence drilling these wells has been delayed until the capacity of the current midstream system is expanded later this year to avoid operational scenarios that require flaring natural gas in order to produce the wells.

6. Spur requests that the Division extend the deadline to commence drilling the Wells to April 13, 2025.

7. Spur further requests the other provisions of the Order remain in force and effect.

8. Spur is in good standing under the statewide rules and regulations.

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

10. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony 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.



Drew Oldis

3/28/24
Date

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

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

**Case No. 24285
Order No. R-22618**

APPLICATION

Spur Energy Partners LLC (“Spur”) (OGRID No. 328947) files this application with the Oil Conservation Division (“Division”) requesting a one-year extension of time to commence drilling the wells authorized by Order No. R-22618. In support of its application, Spur states the following.

1. The Division issued Order No. R-22618 in Case No. 23226 on April 13, 2023, approving a 160-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Section 22, Township 17 South, Range 28 East, Eddy County, New Mexico (“Unit”), and designating Spur as operator of the Unit.
2. The Order further pooled all uncommitted interests within the Yeso formation in the Empire; Glorieta-Yeso Pool (Code 96210) underlying the Unit and dedicated the Unit to the Mayaro 22 State Com 10H and Mayaro 22 State Com 70H wells (collectively “Wells”).
3. The Order requires Spur to commence drilling the Wells within one (1) year of the date of the Order unless Spur obtains a time extension from the Division Director for good cause shown.
6. Spur’s ability to commence drilling the Wells has been delayed by a force majeure event at the primary gas purchase facility that will connect with the Wells.
7. Good cause exists for the requested extension.

**Spur Energy Partners LLC
Case No. 24285
Exhibit A-1**

8. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells to April 13, 2025.

WHEREFORE, Spur requests that this application be set for hearing on April 4, 2024, and after notice and hearing, the Division extend the deadline for Spur to commence drilling the Wells until April 13, 2025.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

Counsel for Spur Energy Partners LLC

Application of Spur Energy Partners LLC to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Spur Energy Partners LLC (“Spur”) requests a one-year extension of time to commence drilling the wells authorized by Order No. R-22618. Order No. R-22618 pooled all uncommitted interests within the Yeso formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Section 22, Township 17 South, Range 28 East in Eddy County, New Mexico (“Unit”); designated Spur as operator of the Unit; and dedicated the Unit to the Mayaro 22 State Com 10H and Mayaro 22 State Com 70H wells (“Wells”). The Order requires Spur to commence drilling the Wells within one year of the date of the Order. Spur’s ability to commence drilling the Wells has been delayed by a force majeure event at the primary gas purchase facility that will connect with the Wells. Accordingly, Spur requests that the Division extend the deadline to commence drilling the Wells until April 13, 2025. The wells are located approximately 13.56 miles east and 0.92 miles south of Artesia, New Mexico.

**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. 23226
ORDER NO. R-22618**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on February 16, 2023, 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”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
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(s) to a common source of supply at the

**Spur Energy Partners LLC
Case No. 24285
Exhibit A-2**

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a 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.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

- well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M FUGE
DIRECTOR (ACTING)
 DMF/hat

Date: 4/13/23

CASE NO. 23226
ORDER NO. R-22618

Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST	
<i>Page 2 of 38</i>	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23226	APPLICANT'S RESPONSE
Date	February 16, 2023
Applicant	Spur Energy Partners LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 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:	None
Well Family	Mayaro
Formation/Pool	
Formation Name(s) or Vertical Extent:	Yeso
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Yeso
Pool Name and Pool Code:	Empire; Glorieta-Yeso Pool (Code 96210)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	160-acres
Building Blocks:	quarter-quarter
Orientation:	North/South
Description: TRS/County	W/2 E/2 of Section 22, Township 17 South, Range 28 East, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	No.
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Mayaro 22 State Com 10H (API # ---) SHL: 283' FSL & 2438' FEL (Unit O), Section 15, T17S, R28E BHL: 1125' FSL & 2247' FEL (Unit O), Section 22, T17S, R28E Completion Target: Yeso (Approx. 3,715' TVD)
Well #2	Mayaro 22 State Com 70H (API # ---) SHL: 263' FSL & 2438' FEL (Unit O), Section 15, T17S, R28E BHL: 1125' FSL & 1823' FEL (Unit O), Section 22, T17S, R28E Completion Target: Yeso (Approx. 4,320' 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	

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CASE NO. 23226
ORDER NO. R-22618

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Drilling Supervision/Month	\$8,000.00	Page 3 of 38
Production Supervision/Month	\$800.00	
Justification for Supervision Costs	Exhibit A	
Requested Risk Charge	200%	
Notice of Hearing		
Proposed Notice of Hearing	Exhibit A-1	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2, Exhibit C-3	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4	
Ownership Determination		
Land Ownership Schematic of the Spacing Unit	Exhibit A-3	
Tract List (including lease numbers and owners)	Exhibit A-3	
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A	
Pooled Parties (including ownership type)	Exhibit A-3	
Unlocatable Parties to be Pooled	N/A	
Ownership Depth Severance (including percentage above & below)	N/A	
Joinder		
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-5	
Overhead Rates In Proposal Letter	Exhibit A-4	
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	
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-3	
Cross Section (including Landing Zone)	Exhibit B-3	
Additional Information		

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CASE NO. 23226
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Received by OCD: 2/13/2023 4:25:16 PM	N/A	Page 4 of 38
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):	/s/ Dana S. Hardy	
Date:	2/13/2023	

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CASE NO. 23226
ORDER NO. R-22618

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

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

**Case No. 24285
Order No. R-22618**

**SELF-AFFIRMED STATEMENT
OF DANA S. HARDY**

1. I am attorney in fact and authorized representative of Spur Energy Partners LLC, the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit B-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit B-2**.

3. Exhibit B-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.

5. On March 10, 2024, I caused a notice to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit B-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it 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.

/s/ Dana S. Hardy
Dana S. Hardy

March 26, 2024
Date

**Spur Energy Partners LLC
Case No. 24285
Exhibit B**



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:
Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

March 6, 2024

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 24285 – Application of Spur Energy Partners LLC to Extend Time to Commence Drilling Operations Under Order No. R-22618, Eddy County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **April 4, 2024**, beginning at 8:15 a.m.

The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/oed/hearing-info/>. 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 submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.nm.gov/oed/oedpermitting/>) or via e-mail to oed.hearings@emnrd.nm.gov 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 contact Drew Oldis, Landman for Spur Energy Partners LLC by phone at (832) 930-8502 if you have any questions regarding this matter.

Sincerely,

/s/ Dana S. Hardy
Dana S. Hardy

Spur Energy Partners LLC
Case No. 24285
Exhibit B-1

Enclosure

PO BOX 10
ROSWELL, NEW MEXICO 88202
(575) 622-6510
FAX (575) 623-9332

7601 JEFFERSON ST NE · SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
(FAX) 505-858-8321

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

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

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

**Case No. 24285
Order No. R-22618**

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
ZPZ Delaware I LLC 2000 Post Oak Blvd., Suite 100 Houston, TX 77056	03/12/24	03/18/24

**Spur Energy Partners LLC
Case No. 24285
Exhibit B-2**

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL MAIL POST OFFICE

MAR 06 2024
87501-9998

9589 0710 5270 0752 4618 66

Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	
\$	
Total Postage and Fees	
\$	
Sent To	
Street an	ZPZ Delaware I LLC 2000 Post Oak Blvd., Suite 100
City, Stat	Houston, TX 77056 24285 - Spur Mayaro Ext.

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY														
<ul style="list-style-type: none"> ■ 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. 	<p>A. Signature </p> <p><input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) </p> <p>C. Date of Delivery <u>3/13/24</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>														
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <p>ZPZ Delaware I LLC 2000 Post Oak Blvd., Suite 100 Houston, TX 77056</p> <p style="text-align: right; font-size: 0.8em;">24285 - Spur Mayaro Ext.</p> </div> <div style="text-align: center; margin: 5px 0;"> <p>9590 9402 8561 3186 6091 73</p> </div>	<p style="font-size: 2em; font-weight: bold; color: green;">RECEIVED</p> <p style="font-size: 1.5em; color: blue;">MAR 18 2024</p>														
<p>2. Article Number (Transfer from service label)</p> <p style="font-size: 1.2em; font-weight: bold;">9589 0710 5270 0752 4618 66</p>	<p>3. Service Type</p> <table style="width: 100%; font-size: 0.8em;"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Insured Mail</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®														
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™														
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery														
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<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Insured Mail														
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)														
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p> <p style="text-align: right;">Domestic Return Receipt</p>															

Spur Energy Partners LLC
Case No. 24285
Exhibit B-3



PO Box 631667 Cincinnati, OH 45263-1667

PROOF OF PUBLICATION

Hinkle Shanor Llp
Pobox 10
Roswell NM 88202-0010

STATE OF WISCONSIN, COUNTY OF BROWN

The Carlsbad Current Argus, a newspaper published in the city of Carlsbad, Eddy County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

03/10/2024

and that the fees charged are legal.
Sworn to and subscribed before on 03/10/2024

This is to notify all interested parties, including ZPZ Delaware I LLC; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Spur Energy Partners LLC (Case No. 24285). The hearing will be conducted on April 4, 2024 in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Spur Energy Partners LLC ("Spur") requests a one-year extension of time to commence drilling the wells authorized by Order No. R-22618. Order No. R-22618 pooled all uncommitted interests within the Yeso formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Section 22, Township 17 South, Range 28 East in Eddy County, New Mexico ("Unit"); designated Spur as operator of the Unit; and dedicated the Unit to the Mayaro 22 State Com 10H and Mayaro 22 State Com 70H wells ("Wells"). The Order requires Spur to commence drilling the Wells within one year of the date of the Order. Spur's ability to commence drilling the Wells has been delayed by a force majeure event at the primary gas purchase facility that will connect with the Wells. Accordingly, Spur requests that the Division extend the deadline to commence drilling the Wells until April 13, 2025. The wells are located approximately 13.56 miles east and 0.92 miles south of Artesia, New Mexico. #9938089, Current Argus, March 10, 2024

D. Roberts

Legal Clerk
Kathleen Allen

Notary, State of WI, County of Brown
1-2-25

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KATHLEEN ALLEN
Notary Public
State of Wisconsin

Spur Energy Partners LLC
Case No. 24285
Exhibit B-4