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.	
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APPLICATION

Pursuant to NMSA § 70-2-17, Spur Energy Partners LLC ("Spur" or "Applicant") (OGRID No. 328947) applies for an order pooling all uncommitted interests in the San Andres formation underlying a 123.23-acre, more or less, standard horizontal spacing unit comprised of the S/2 NW/4 and the SW/4 NE/4 of irregular Section 30, Township 17 South, Range 28 East, Eddy County, New Mexico ("Unit"). In support of its application, Spur states the following.

- 1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
- 2. The Unit will be dedicated to the **Fizzy Cola State Com 110H** well ("Well"), which will be drilled from a surface hole location in the NE/4 SE/4 (Unit I) to a bottom hole location in the SW/4 NW/4 (Unit E).
 - 3. The completed interval of the Well will be orthodox.
- 4. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.
- 5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated as operator of the Well and the Unit.

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WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 9, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant 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 Applicant in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

HARDY MCLEAN LLC

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