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

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

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

#### <u>ORDER</u>

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

#### **FINDINGS OF FACT**

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

#### **CONCLUSIONS OF LAW**

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

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

# <u>ORDER</u>

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

# STATE OF NEW MEXICO OIL CONSERVATION DIVISION



**DIRECTOR** AES/kms Date: 1/19/2021