

**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. 24989

PRE-HEARING STATEMENT

Spur Energy Partners LLC (“Spur” or “Applicant”) submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

Spur Energy Partners LLC

ATTORNEYS

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INTERESTED PARTY

None

ATTORNEY

STATEMENT OF THE CASE

Spur applies for an order pooling all uncommitted interests from the top of the Yeso formation to 5,000’ MD underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Section 7, Township 17 South, Range 30 East, Eddy County, New Mexico (“Unit”). Spur seeks to dedicate the Unit to the **Merak 7 Federal 10H** and **Merak 7 Federal 51H** wells (“Wells”), to be drilled from surface hole locations in the NW/4 SW/4 (Unit L) of Section 8, Township 17 South, Range 30 East to bottom hole locations in the NW/4 SW/4

(Unit L) of Section 7, Township 17 South, Range 30 East. The completed intervals of the Wells will be orthodox. Due to a depth severance, Applicant seeks to pool uncommitted interests in the Yeso formation from a stratigraphic equivalent of 4,225' MD to 5,000' MD as observed on the Anderson-Federal 1 well Schlumberger Sidewall Neutron Porosity Log (API No. 30-015-20565).

Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The Wells are located approximately 3 miles northwest of Loco Hills, New Mexico.

PROPOSED EVIDENCE

<u>Witness</u>	<u>Occupation</u>	<u>Estimated Time</u>	<u>Exhibits</u>
Rett Dalton	Landman	Affidavit	Approx. 5
Matthew Van Wie	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

Applicant will present this case by affidavit if there is no opposition to its application.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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Oil Conservation Division
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QUESTIONS

Action 414743

QUESTIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 414743
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.