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

APPLICATION OF SPUR ENERGY PARTNERS, LLC TO AMEND ORDER NOS. R-20642, R-20642-B, & R-20642-C, EDDY COUNTY, NEW MEXICO.

CASE NO. 21938

APPLICATION OF SPUR ENERGY PARTNERS, LLC TO AMEND ORDER NOS. R-20643 & R-20643-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21939

SPUR ENERGY PARTNERS, LLC'S CONSOLIDATED PRE-HEARING STATEMENT

Spur Energy Partners, LLC ("Spur") (OGRID No. 328947), the applicant in the above-

referenced cases, submits this Consolidated Pre-Hearing Statement pursuant to the rules of the Oil

Conservation Division.

APPEARANCES

APPLICANT

Spur Energy Partners, LLC

ATTORNEY

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OTHER PARTY

COG Operating LLC and Concho Oil & Gas, LLC

Ocean Munds-Dry Elizabeth A. Ryan COG Operating LLC 1048 Paseo de Peralta Santa Fe, New Mexico 87501 (505) 780-800 (505 428-0485 FAX Ocean.Munds-Dry@conocophillips.com Beth.Ryan@conocophillips.com

APPLICANT'S STATEMENT OF CASE

In Case No. 21938, Spur seeks to amend Order Nos. R-20642, R-20642-B and R-20642-C ("Orders") for an extension of time for drilling the proposed initial well under the Orders. Division Order No. R-20642, entered June 24, 2019, in Case No. 20191, created a 200-acre, more or less, standard horizontal oil spacing unit in the Penasco Draw; San Andres Yeso Pool (50270) underlying the S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (the "Unit"). An affiliate entity of Spur is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon. The Order limited the pooled vertical depths from a stratigraphic equivalent of the top of the San Andres-Yeso formation at 2279 feet measured depth to a depth of 3,200 feet, as defined in the Gamma Ray-Neutron Log from the Len Mayer 1 Well (API No. 30-015-05926). The Order dedicated the spacing unit, subject to the pooled vertical limits, to the proposed initial Nirvana #1H well to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29. Division Order No. R-20642-B, entered on July 22, 2020, in Case No. 21254, added the Nirvana #2H well, to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29,

to the approved spacing unit pooled under the terms of Order No. R-20642. Division Order No. R-20642-C, entered on January 19, 2021, in Case No. 21581, pooled additional interest owners under the terms of Order Nos. R-20642 and R-20642-B.

Spur requests that the Orders be re-opened and amended to allow Spur additional time to commence drilling the well under the Orders.

In Case No. 21939, Spur seeks to amend Order Nos. R-20643 and R-20643-A ("Orders") for an extension of time for drilling the proposed initial well under the Orders. Division Order No. R-20643, entered June 24, 2019, in Case No. 20263, created a 200-acre, more or less, standard horizontal oil spacing unit in the Penasco Draw; San Andres Yeso Pool (50270) underlying the S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (the "Unit"). An affiliate entity of Spur is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon. The Order limited the pooled vertical depths from a stratigraphic equivalent of a depth of 3,201 feet to the base of the Yeso formation at a stratigraphic equivalent of 4,460 feet measured depth, as defined in the Gamma Ray-Neutron Log from the Len Mayer 1 Well (API No. 30-015-05926). The Order dedicated the spacing unit, subject to the pooled vertical limits, to the proposed initial Nirvana **#3H well** to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29. Division Order No. R-20643-A, entered on January 19, 2021, in Case No. 21582, pooled additional interest owners under the terms of Order No. R-20643.

Spur requests that the Orders be re-opened and amended to allow Spur additional time to commence drilling the well under the Orders.

APPLICANT'S PROPOSED EVIDENCE

<u>WITNESS</u> Name and Expertise

ESTIMATED TIME

EXHIBITS

Megan Peña, Landman

Affidavit

Approx. 4

PROCEDURAL MATTERS

If uncontested at the time of hearing, Spur intends to present these consolidated cases by affidavit.

Respectfully submitted,

HOLLAND & HART LLP

By:

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ATTORNEYS FOR SPUR ENERGY PARTNERS, LLC

CERTIFICATE OF SERVICE

I hereby certify that on June 10, 2021, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

| Operator: Spur Energy Partners LLC | OGRID: 328947 | |
|---------------------------------------|--|--|
| 9655 Katy Freeway | Action Number: | |
| Houston, TX 77024 | 31458 | |
| | Action Type: | |
| | [HEAR] Prehearing Statement (PREHEARING) | |
| QUESTIONS | | |
| Testimony | | |

| Please assist us by provide the following information about your testimony. | | |
|---|---|--|
| Number of witness | 1 | |
| Testimony time (in minutes) | 4 | |
| | | |

QUESTIONS

Page 6 of 6

Action 31458