

**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. 22024**

**PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

Spur Energy Partners, LLC

**ATTORNEYS**

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**INTERESTED PARTIES**

No interested parties.

**ATTORNEYS**

**STATEMENT OF THE CASE**

Applicant seeks an order pooling all uncommitted mineral interests within the Yeso formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 35, Township 17 South, Range 28 East in Eddy County, New Mexico (“Unit”). The Unit will be dedicated to following wells:

- Cecilia State Com 1H, which will be horizontally drilled from a surface location in the SW/4NW/4 (Unit E) of Section 36 to a bottom hole location in the SW/4NW/4 (Unit E) of Section 35; and
- Cecilia State Com 10H, which will be horizontally drilled from a surface location in the SW/4NW/4 (Unit E) of Section 36 to a bottom hole location in the SW/4NW/4 (Unit E) of Section 35 (collectively the “Wells”).

The completed intervals of the Wells will be orthodox. The completed interval of the Cecilia State Com 1H will be within 330’ of the line separating the N/2N/2 and S/2N/2 of Section 35 to allow inclusion of this acreage into a standard 320-acre horizontal spacing unit.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Spur Energy Partners, LLC as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 2 miles east of Artesia, New Mexico.

**PROPOSED EVIDENCE**

<b>Witness</b>	<b>Occupation</b>	<b>Estimated Time</b>	<b>Exhibits</b>
Megan Peña	Landman	Affidavit	Approx. 7
C. J. Lipinski	Geologist	Affidavit	Approx. 5

**PROCEDURAL MATTERS**

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

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy

Michael Rodriguez

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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

Action 33543

**QUESTIONS**

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 33543
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witness	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>