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. 22090

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

Dana S. Hardy Michael Rodriguez P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com mrodriguez@hinklelawfirm.com

INTERESTED PARTIES COG Operating LLC

ATTORNEYS

Ocean Munds-Dry Elizabeth Ryan 1048 Paseo de Peralta Santa Fe, New Mexico 87501 (505) 780-8000 (505) 428-0485 Facsimile Ocean.Munds-Dry@conocophillips.com Beth.Ryan@conocophillips.com

STATEMENT OF THE CASE

Applicant seeks an order pooling all uncommitted mineral interests in the Yeso formation

underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 of

Section 36, Township 17 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to following wells:

- Waukee C 36 State Com 2H, Waukee C 36 State Com 11H, and Waukee C 36 State Com 51H, which will be horizontally drilled from a surface location in the NW/4SW/4 (Unit L) of Section 31 to a bottom hole location in the NW/4SW/4 (Unit L) of Section 36; and
- Waukee D 36 State Com 1H, Waukee D 36 State Com 10H, and Waukee D 36 State Com 50H, which will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 31 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 36 (collectively the "Wells").

The completed interval of the Waukee D 36 State Com 1H is unorthodox. The completed intervals of the remaining Wells are orthodox. The completed interval for the Waukee C 36 State Com 2H will be within 330' of the line separating the N/2S/2 and S/2S/2 of Section 36 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 four (4) miles southeast of Riverside, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Morgan Landry	Landman	Affidavit	Approx. 7
C. J. Lipinski	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

Applicant will present the above-referenced cases by affidavit if there is no opposition to

its applications.

Respectfully submitted,

HINKLE SHANOR, LLP

<u>/s/ Dana S. Hardy</u> Dana S. Hardy Michael Rodriguez P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com mrodriguez@hinklelawfirm.com *Counsel for Spur Energy Partners, LLC*

CERTIFICATE OF SERVICE

I hereby certify that on July 29, 2021, I served a true and correct copy of the foregoing pleading on the following counsel of record by electronic mail:

Ocean Munds-Dry Elizabeth Ryan Ocean.Munds-Dry@conocophillips.com Beth.Ryan@conocophillips.com

> <u>/s/ Dana S. Hardy</u> Dana S. Hardy

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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:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	38824
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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

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