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. 23100

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 ATTORNEYS

Spur Energy Partners, LLC Dana S. Hardy Jaclyn McLean

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INTERESTED PARTY ATTORNEYS

None.

STATEMENT OF THE CASE

Applicant applies for an order pooling all uncommitted interests within the Yeso formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Section 23, Township 17 South, Range 28 East, Eddy County, New Mexico. The spacing unit will be dedicated to the following wells:

- Sierra Nevada 23 State Com 10H well, which will be horizontally drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 23, Township 17 South, Range 28 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 23, Township 17 South, Range 28 East; and
- Sierra Nevada 23 State Com 60H well, which will be horizontally drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 23, Township 17 South, Range 28 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 23, Township 17 South, Range 28 East.

The completed intervals of the wells will be orthodox. 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 the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The wells are located approximately 14.3 miles East and 1.03 miles South of Artesia, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Drew Oldis	Landman	Affidavit	Approx. 5
Matt Van Wie	Geologist	Affidavit	Approx. 7

PROCEDURAL MATTERS

Applicant will present this matter by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ 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

Action 153535

QUESTIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	153535
	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.	