

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

APPLICATION OF SPUR ENERGY PARTNERS LLC TO AMEND ORDER NO. R-22385 TO UPDATE INITIAL WELLS, EXTEND THE DRILLING DEADLINE, AND POOL ADDITIONAL PARTIES, EDDY COUNTY, NEW MEXICO.

**CASE NO. 23828
ORDER NO. R-22385**

SPUR ENERGY PARTNERS LLC’S PRE-HEARING STATEMENT

Spur Energy Partners LLC (“Spur”) (OGRID No. 328947), the applicant in the above-referenced case, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Spur Energy Partners LLC

ATTORNEY

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OTHER PARTIES

Longfellow Energy, LP

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

Spur seeks to amend Order No. R-22385 ("Order") to (1) update the initial wells approved under the order, (2) allow for an extension of time for drilling a proposed initial well under the Order, and (3) to pool additional parties under the terms of the Order. Division Order No. R-22385, entered on November 17, 2022, in Case No. 21733, created a standard 480-acre, more or less, horizontal spacing unit comprised of the NE/4 of Section 14 and the N/2 of Section 13, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Spur as operator of the Unit.

Order No. R-22385 further pooled the uncommitted interests in the Yeso formation (Empire; Glorieta-Yeso Pool [96210]) in the Unit and dedicated the Unit to the proposed initial following wells:

- The **Aid North #10H** well, and the **Aid North #50H**, each of which will be horizontally drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 14, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 13; and
- The **Aid North #11H** well, the **Aid North #12H** well, the **Aid North #51H** well, and the **Aid North #70H** well each of which will be horizontally drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 14 to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 13.

Since entry of the Order, Applicant has updated the wells and locations of its proposed initial wells in the Unit to the following:

- The **Aid 14-13 State 10H** well and the **Aid 14-13 State 20H and Aid 14-13** and the **State 60H** well, to be drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 14, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 13; and
- The **Aid 14-13 State 21H** well and the **Aid 14-13 State 61H**, to be drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 14, to bottom hole locations in the NE/4 NE/4 (Unit H) of Section 13.

Since entry of the Order, Spur has also determined there are additional interest owners in the Unit whose interests were not pooled by the terms of the Order.

Spur has sought and been unable to obtain a voluntary agreement for the development of these lands from the subject interest owners in the Unit, and Spur seeks to pool these additional interest owners in the Unit under the terms of the Order.

The pooling of these interest owners under the terms of the Order will prevent waste, protect correlative rights, and promote administrative efficiency. In order to permit Spur to obtain its just and fair share of the oil and gas underlying the subject Unit, the additional interest owners should be pooled pursuant to the terms of Order No. R-22385.

In addition, Applicant requests that Order No. R-22385 be re-opened and amended to allow Applicant additional time to commence drilling an initial well under the Order. There is good cause for Applicant’s request for an extension of time to drill.

APPLICANT’S PROPOSED EVIDENCE

<u>WITNESS</u> Name and Expertise	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Drew Oldis, Landman	Self-affirmed statement	Approx. 7

PROCEDURAL MATTERS

If uncontested at the time of hearing, Spur intends to present this case by self-affirmed statement.

Respectfully submitted,

HOLLAND & HART LLP

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CERTIFICATE OF SERVICE

I hereby certify that on September 28, 2023, 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
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QUESTIONS

Action 270331

QUESTIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 270331
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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