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

APPLICATIONS OF SPUR ENERGY PARTNERS LLC FOR APPROVAL OF PRESSURE MAINTENANCE PROJECTS, EDDY COUNTY, NEW MEXICO.

CASE NO. 23936-23928

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

<u>APPLICANT</u>

ATTORNEY

Spur Energy Partners LLC

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208

(505) 000 4421

(505) 988-4421

(505) 983-6043 Facsimile

OTHER PARTIES

Silverback Operating II, LLC (Case No. 23937 only)

Benjamin B. Holliday Holliday Energy Law Group, PC 4040 Broadway, Suite 350 San Antonio, Texas 78209 Phone: (210) 469-3197 ben@theenergylawgroup.com

ben@theenergylawgroup.com ben-svc@theenergylawgroup.com

APPLICANT'S STATEMENT OF CASE

Spur seeks orders approving pressure maintenance projects within the Yeso Group in these cases as follows:

In Case No. 23936, Spur seeks an order approving a pressure maintenance project

in the Yeso Group underlying a project area comprised of portions of Sections 14, 15, 22,

and 23, all in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

Spur seeks approval to inject produced gas into the **Skelly Unit #998 well** (API No. 30-015-36681)

at a total vertical depth of approximately 5,042 feet to approximately 6,360 feet. Spur anticipates

injection through this well will provide pressure maintenance support for offsetting wells identified

in its application that are operated by Spur and drilled and completed in the in the Fren; Glorieta-

Yeso Pool (Pool Code 26770). The interval that will benefit from the proposed pressure

maintenance constitutes the Paddock and Blinebry members of the Yeso Group, being the

stratigraphic equivalent of 5,021 feet to the top of the Tubb at approximately 6,545 feet

as identified in the Skelly Unit #979 well (API No. 30-015-38342).

Spur seeks authority to inject produced gas into the Fren; Glorieta-Yeso Pool (Pool

Code 26770) at a maximum surface injection pressure of 1,527 psi with an average surface

injection pressure of approximately 993 psi. Spur proposes to inject produced gas at a

maximum rate of 10 MMCF per day with an average daily injection rate of approximately

5 MMCF per day.

The project area for this pressure maintenance injection project will comprise the

following acreage in Eddy County:

Township 17 South, Range 31 East, NMPM

Section 14: W/2 SW/4

Section 15: S/2 N/2, S/2

Section 22: N/2

Section 23: NW/4 NW/4

In Case No. 23937, Spur seeks an order approving a pressure maintenance project

in the Yeso Group underlying a project area comprised of portions of Sections 8, 9, 16,

and 17, all in Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

Spur seeks approval to inject produced gas into the GJ West Coop Unit #212 (API No. 30-015-

37290) at a total vertical depth of approximately 3,990 feet to approximately 5,180 feet. Spur

anticipates injection through this well will provide pressure maintenance support for its offsetting

wells identified in its application that are operated by Spur and drilled and completed in the GJ;

7RVS-QN-GB-Glorieta-Yeso Pool (Pool Code 97558). The interval that will benefit from the

proposed pressure maintenance constitutes the Paddock and Blinebry members of the Yeso Group,

being the stratigraphic equivalent of 3,980 feet to the top of the Tubb at approximately 5,320 feet

as identified in the GJ West Coop Unit #206 (API# 30-015-36704).

Spur seeks authority to inject produced gas into the GJ; 7RVS-QN-GB-Glorieta-Yeso

(Pool Code 97558) at a maximum surface injection pressure of 1,040 psi with an average surface

injection pressure of approximately 676 psi. Spur proposes to inject produced gas at a maximum

rate of 10 MMCF per day with an average daily injection rate of approximately 5 MMCF per day.

The project area for this pressure maintenance injection project will comprise the

following acreage in Eddy County:

Township 17 South, Range 29 East, NMPM

Section 8: SE/4 SE/4

Section 9: S/2

Section 16: N/2, N/2 S/2

Section 17: E/2 NE/4

In Case No. 23938, Spur seeks an order approving a pressure maintenance project

in the Yeso Group underlying a project area comprised of portions of Sections 21, 28,

and 29, all in Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

Spur seeks approval to inject produced gas into the GJ West Coop Unit #278 (API No.

30-015-36705) at a total vertical depth of approximately 3,989 feet to approximately

5,300 feet.

3

Received by OCD: 11/9/2023 12:55:07 PM

Page 4 of 7

Spur anticipates injection through this well will provide pressure maintenance

support for its offsetting wells identified in its application that are operated by Spur and

drilled and completed in the GJ; 7RVS-QN-GB-Glorieta-Yeso (Pool Code 97558). The

interval that will benefit from the proposed pressure maintenance constitutes the Paddock

and Blinebry members of the Yeso Group, being the stratigraphic equivalent of 3,925 feet

to the top of the Tubb at approximately 5,385 feet as identified in the GJ West Coop Unit

#140 (API# 30-015-29180).

Spur seeks authority to inject produced gas into the GJ; 7RVS-QN-GB-Glorieta-

Yeso (Pool Code 97558) at a maximum surface injection pressure of 1,040 psi with an

average surface injection pressure of approximately 676 psi. Spur proposes to inject

produced gas at a maximum rate of 10 MMCF per day with an average daily injection

rate of approximately 5 MMCF per day.

The project area for this pressure maintenance injection project will comprise the

following acreage in Eddy County:

Township 17 South, Range 29 East, NMPM

Section 20: SE/4 SE/4

Section 21: S/2

Section 28: N/2 S/2, N/2

Section 29: E/2 NE/4

Approval of these pressure maintenance projects will result in the production of

substantially more hydrocarbons from the project areas than would otherwise be produced, will

prevent waste, and will not impair correlative rights.

4

APPLICANT'S PROPOSED EVIDENCE

<u>WITNESS</u> Name and Expertise	ESTIMATED TIME	EXHIBITS
Oliver Seekins, Regulatory Expert (ALL Consulting LLC)	Self-Affirmed Statement	Approx. 1
Reed Davis, Geology (ALL Consulting LLC)	Self-Affirmed Statement	Approx. 1
George Waters, Petroleum Engineer	Self-Affirmed Statement	Approx. 1

PROCEDURAL MATTERS

Spur intends to present these cases through sworn statements at the hearing on November 16, 2023.

Respectfully submitted,

HOLLAND & HART LLP

y:_____

Michael H. Feldewert Adam G. Rankin Paula M. Vance Post Office Box 2208 Santa Fe, NM 87504 505-998-4421

505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com

pmvance@hollandhart.com

pmvance@nonandnart.com

ATTORNEYS FOR SPUR ENERGY PARTNERS LLC

CERTIFICATE OF SERVICE

I hereby certify that on November 9, 2023, I served a copy of the foregoing document to the following counsel via electronic mail to:

Benjamin B. Holliday Holliday Energy Law Group, PC 4040 Broadway, Suite 350 San Antonio, Texas 78209 Phone: (210) 469-3197 ben@theenergylawgroup.com ben-svc@theenergylawgroup.com

Counsel for Silverback Operating II, LLC

Adam G. Rankin

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 284363

QUESTIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	284363
	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.	