

**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. 24121**

**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**

Spur Energy Partners, LLC

**ATTORNEYS**

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**INTERESTED PARTY**

Silverback Operating II, LLC

**ATTORNEYS**

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**STATEMENT OF THE CASE**

Spur applies for an order pooling all uncommitted interests in the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the SW/4 of Section 27 and the SE/4 of Section 28, Township 19 South, Range 25 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the **Live Oak 27-28 State Com 20H** and **Live**

**Oak 27-28 State Com 50H** wells, to be drilled from surface hole locations in the NW/4 SE/4 (Unit J) of Section 27 to bottom hole locations in the NW/4 SE/4 (Unit J) of Section 28; and the **Live Oak 27-28 State Com 21H, Live Oak 27-28 State Com 30H, and Live Oak 27-28 State Com 70H** wells, to be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 27 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 28.

The completed intervals of the Wells will be orthodox. The completed interval of the Live Oak 27-28 State Com 30H well will be located within 330' of the quarter-quarter section line separating the N/2 S/2 and S/2 S/2 of Sections 27 and 28 to allow for the creation of a 320-acre standard horizontal spacing unit.

Also to be considered in each case 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 14.78 miles south and 4.26 miles west of Artesia, New Mexico.

**PROPOSED EVIDENCE**

| <b>Witness</b>  | <b>Occupation</b> | <b>Estimated Time</b> | <b>Exhibits</b> |
|-----------------|-------------------|-----------------------|-----------------|
| Scott Hartman   | Senior Landman    | Affidavit             | Approx. 5       |
| Matthew Van Wie | Geologist         | Affidavit             | Approx. 5       |

**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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### **CERTIFICATE OF SERVICE**

I hereby certify that on January 25, 2024, I served a true and correct copy of the foregoing pleading on the following counsel of record by electronic mail:

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/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 307979

**QUESTIONS**

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| Operator:<br>Spur Energy Partners LLC<br>9655 Katy Freeway<br>Houston, TX 77024 | OGRID:<br>328947   |
|   | Action Number:<br>307979                                 |
|   | Action Type:<br>[HEAR] Prehearing Statement (PREHEARING) |

**QUESTIONS**

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