

**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. 24608

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

None.

ATTORNEYS

STATEMENT OF THE CASE

Applicant 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 N/2 of Section 25, Township 17 South, Range 27 East, Eddy County, New Mexico (“Unit”). The spacing unit will be dedicated to the following wells:

- a. The **Taylorcrest 25 Federal 10H** well, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 25, Township 17 South, Range 27 East to a

bottom hole location in the SW/4 NW/4 (Unit E) of Section 25, Township 17 South, Range 27 East;

- b. The **Taylorcrest 25 Federal 20H** and **Taylorcrest 25 Federal 70H** wells, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 25, Township 17 South, Range 27 East to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 25, Township 17 South, Range 27 East; and
- c. The **Taylorcrest 25 Federal 21H** and **Taylorcrest 25 Federal 71H** wells, to be drilled from a surface hole location in Lot 2 (SW/4 NW/4 equivalent) of Section 30, Township 17 South, Range 28 East to bottom hole locations in the SW/4 NW/4 (Unit E) of Section 25, Township 17 South, Range 27 East.

The completed intervals of the wells will be orthodox. The completed interval of the Taylorcrest 25 Federal 10H well will be located within 330' of the quarter-quarter section line separating the N/2 N/2 and the S/2 N/2 of Section 25 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 9 miles southeast of Artesia, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Lance Young	Landman	Affidavit	Approx. 5
Matthew 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.
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QUESTIONS

Action 360819

QUESTIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 360819
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<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>