

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

**APPLICATION OF SPUR ENERGY PARTNERS LLC
TO EXTEND TIME TO COMMENCE DRILLING
OPERATIONS AND POOL ADDITIONAL INTERESTS
UNDER ORDER NOS. R-22418 AND R-22418-A,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 24924
ORDER NOS. R-22418 &
R-22418-A**

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

Dana S. Hardy
Jaclyn McLean
Dylan M. Villescascas
Hinkle Shanor LLP
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
dvillescascas@hinklelawfirm.com

INTERESTED PARTY

None at this time.

ATTORNEYS

STATEMENT OF THE CASE

Applicant applies for an order requesting: (1) a one-year extension of time to commence drilling operations under Order No. R-22418-A; and (2) to pool additional uncommitted interests under the terms of Order No. R-22418. The Division issued Order No. R-22418 in Case No. 23012 on December 5, 2022. The order: approved a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Section 25, Township 19 South, Range 25 East, Eddy County, New

Mexico (“Unit”); dedicated the Unit to the Darko 25 Federal 20H, Darko 25 Federal 21H, and Darko 25 Federal 30H wells (“Wells”); and designated Applicant as operator of the Unit and Wells.

The Division entered Order No. R-22418-A in Case No. 23871 on December 1, 2023, extending the deadline to commence drilling the Wells until December 5, 2024.

Good cause for an extension exists because Spur’s ability to commence drilling the Wells has been further delayed by a lack of water takeaway capacity in the area. Spur is in the process of constructing a water recycling facility that will serve this and other units to address the water takeaway constraint and prevent economic and environmental waste. Spur expects that the recycling facility will be operational during the first quarter of 2025. Spur requests that the Division extend the deadline to commence drilling the Wells to December 5, 2025.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Rett Dalton	Landman	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
Dana S. Hardy
Jaclyn McLean
Dylan M. Villescas
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
dvillecas@hinklelawfirm.com
Counsel for Spur Energy Partners, LLC

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

District IV
 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 397796

QUESTIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 397796
	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>