

**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. 22026

PRE-HEARING STATEMENT

Spur Energy Partners, LLC (“Applicant”) submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Spur Energy Partners, LLC

ATTORNEYS

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INTERESTED PARTIES

No interested parties.

ATTORNEYS

STATEMENT OF THE CASE

Applicant seeks an order pooling all uncommitted mineral interests from the top of the Yeso formation to a depth of approximately 3,000’ in a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 10, Township 19 South, Range 25 East, in Eddy County, New Mexico (“Unit”). The Unit will be dedicated to following wells:

- Patrick Federal Com 2H and Patrick Federal Com 11H, which will be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 9 to a bottom hole location in the NE/4NE/4 (Unit A) of Section 10; and
- Patrick Federal Com 1H and Patrick Federal Com 10H, which will be horizontally drilled from a surface location in the SE/4SE/4 (Unit H) of Section 9 to a bottom hole location in the SE/4SE/4 (Unit H) of Section 10 (collectively the “Wells”).

The completed interval of the Patrick Federal Com 1H will be within 330’ of the line separating the N/2N/2 and S/2N/2 of Section 10 to allow inclusion of this acreage into a standard 320-acre horizontal spacing unit. The completed intervals of the wells will be orthodox.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Spur Energy Partners, LLC 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 2 miles southwest of Artesia, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Megan Peña	Landman	Affidavit	Approx. 7
C. J. Lipinski	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

Applicant will present its case by affidavit if there is no opposition to its application.

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 33547

QUESTIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 33547
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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