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

APPLICATION OF SPUR ENERGY PARTNERS LLC FOR TWO COMPULSORY POOLING ORDERS REPLACING AND REVOKING ORDER NO. R-21578, EDDY COUNTY, NEW MEXICO.

**CASE NO. 22760** 

## SUPPLEMENTAL AFFIDAVIT

Spur Energy Partners, LLC ("Spur") (OGRID No. 328947) submits the attached supplemental affidavit as Exhibit G for admission into the record in response to the Division Examiners' questions at the hearing on June 2, 2022. The affidavit clarifies that the NE/4 of Section 6, Township 19 South, Range 25 East, which is excluded from the proposed spacing unit, will not be stranded. It also confirms that Spur requests that the Division enter an order compulsory pooling the Shallow Unit in this case. Spur has filed a separate application to pool the Deep Unit in Case No. 22920, as requested by the Division at the hearing.

Respectfully submitted,

**HOLLAND & HART LLP** 

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ATTORNEYS FOR SPUR ENERGY PARTNERS LLC

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## AFFIDAVIT OF C.J. LIPINSKI

C.J. Lipinski, of lawful age and being first duly sworn, declares as follows:

- My name is C.J. Lipinski. I work for Spur Energy Partners LLC ("Spur") as a Geologist.
- I have previously testified before the New Mexico Oil Conservation Division as an
  expert witness in petroleum geology matters and my credentials as an expert petroleum geologist
  have been accepted by the Division and made a matter of record.
- I am familiar with the application filed by Spur in this case, and I have submitted an affidavit addressing my geologic study of the lands in the subject area in this case as Exhibit D.
- 4. I am providing this supplemental affidavit in response to the Division's determination that it will approve only one of the requested pooling orders under this application and to address the technical examiner's question about whether any portion of the acreage excluded from the proposed standard horizontal well spacing unit in Section 6 will be stranded.
- Because the Division will approve only one of the requested pooling orders, Spur
  requests that the Division approve the Shallow Unit in this case. Spur has filed an application to
  pool the Deep Unit, assigned Case No. 22920, and has requested a hearing on that application on
  July 7, 2022.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Supplemental Exhibit No. G
Submitted by: Spur Energy Partners, LLC
Hearing Date: June 2, 2022
Case No. 22760

- 6. As to the technical examiner's question about whether the NE/4 of Section 6 in Township 19 South, Range 25 East will be stranded because it is being excluded from Spur's proposed spacing unit, the answer is no. There are currently four Yeso vertical wells completed in the NE/4 of Section 6 on 40-acre vertical oil well spacing that have produced 77,000 barrels of oil from the Yeso. Moreover, the NE/4 can be developed at a future time by a horizontal well with a surface location to the north.
- 7. In my opinion, Spur's application to re-form the existing 320-acre spacing unit into two separate 480-acre spacing units will allow Spur to develop this acreage using its preferred spacing and is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

FURTHER AFFIANT SAYETH NAUGHT.

C.F. LIPINSKI

STATE OF TEXAS )
COUNTY OF TRAVIS

SUBSCRIBED and SWORN to before me this <a>\( \text{2} \)</a> day of June 2022 by C.J.

Lipinski.

NOTARY PUBLIC

My Commission Expires:

4/3/2023

Clinton J D Jemigan
NOTARY PUBLIC
STATE OF FLORIDA
Comm# GG319228
Expires 4/3/2023