

**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. 23046**

**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

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**INTERESTED PARTY**

Apache Corporation

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**STATEMENT OF THE CASE**

Applicant applies for an order pooling all uncommitted interests within the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 and N/2 S/2 of Section 21, Township 19 South, Range 25 East, Eddy County, New Mexico. The spacing unit will be dedicated to the following wells:

- **Alto Amm 21 #10H well**, which will be horizontally drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 22, Township 19 South, Range 25 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 21, Township 19 South, Range 25 East;
- **Alto Amm 21 #11H well**, which will be horizontally drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 22, Township 19 South, Range 25 East, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 21, Township 19 South, Range 25 East;
- **Alto Amm 21 #20H well**, which will be horizontally drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 22, Township 19 South, Range 25 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 21, Township 19 South, Range 25 East;
- **Alto Amm 21 #50H well**, which will be horizontally drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 22, Township 19 South, Range 25 East, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 21, Township 19 South, Range 25 East;

- **Alto Amm 21 #60H well**, which will be horizontally drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 22, Township 19 South, Range 25 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 21, Township 19 South, Range 25 East; and
- **Alto Amm 21 #70H well**, which will be horizontally drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 22, Township 19 South, Range 25 East, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 21, Township 19 South, Range 25 East.

The completed intervals of the wells will be orthodox. The completed interval of the Alto Amm 21 #20H well will be located within 330' of the quarter-quarter section line separating the S/2 N/2 and N/2 S/2 of Section 22 to allow for the creation of a 320-acre standard horizontal spacing unit.

Also to be considered 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 4.95 miles West and 13.58 miles South of Artesia, New Mexico.

**PROPOSED EVIDENCE**

<b>Witness</b>	<b>Occupation</b>	<b>Estimated Time</b>	<b>Exhibits</b>
Rett Dalton	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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*Counsel for Spur Energy Partners, LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing Pre-Hearing Statement was sent to the following counsel of record by electronic mail on September 29, 2022:

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
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QUESTIONS

Action 147228

**QUESTIONS**

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 147228
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<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>