

**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. 23094**

**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  
Yarithza Peña  
Hinkle Shanor LLP  
P.O. Box 2068  
Santa Fe, NM 87504-2068  
Phone: (505) 982-4554  
dhardy@hinklelawfirm.com  
jmclean@hinklelawfirm.com  
ypena@hinklelawfirm.com

**INTERESTED PARTY**

None.

**ATTORNEYS**

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

- **Taylorcrest 25 Federal 10H well**, which will be horizontally 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;

- **Taylorcrest 25 Federal 20H well**, which will be horizontally 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 NW/4 NW/4 (Unit D) of Section 25, Township 17 South, Range 27 East;
- **Taylorcrest 25 Federal 70H well**, which will be horizontally 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 NW/4 NW/4 (Unit D) of Section 25, Township 17 South, Range 27 East;
- **Taylorcrest 25 Federal 21H well**, which will be horizontally drilled from a surface hole location in Lot 2 (SW/4 NW/4 equivalent) of Section 30, Township 17 South, Range 28 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 25, Township 17 South, Range 27 East;
- **Taylorcrest 25 Federal 71H well**, which will be horizontally drilled from a surface hole location in Lot 2 (SW/4 NW/4 equivalent) of Section 30, Township 17 South, Range 28 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 25, Township 17 South, Range 27 East; and
- **Taylorcrest 25 Federal 90H well**, which will be horizontally drilled from a surface hole location in Lot 2 (SW/4 NW/4 equivalent) of Section 30, Township 17 South, Range 28 East, to a bottom hole location 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**

<b>Witness</b>	<b>Occupation</b>	<b>Estimated Time</b>	<b>Exhibits</b>
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* \_\_\_\_\_

Dana S. Hardy

Jaclyn McLean

Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

ypena@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 153409

**QUESTIONS**

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 153409
	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>