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. 23226

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 ATTORNEYS

Spur Energy Partners LLC 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 ATTORNEYS

None.

STATEMENT OF THE CASE

Applicant applies for an order pooling all uncommitted interests within the Yeso formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Section 22, Township 17 South, Range 28 East, Eddy County, New Mexico. The spacing unit will be dedicated to the following wells ("Wells"):

- Mayaro 22 State Com 10H well, to be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 15 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 22; and
- Mayaro 22 State Com 70H well, to be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 15 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 22.

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 Unit and the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The Wells are located approximately 0.92 miles south of Artesia, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Drew Oldis	Landman	Affidavit	Approx. 5
Matthew Van Wie	Geologist	Affidavit	Approx. 4

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

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P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy @hinkle law firm.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

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 184472

QUESTIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	184472
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	Not answered.	
Testimony time (in minutes)	Not answered.	