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. 25444

PRE-HEARING STATEMENT

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

APPLICANT ATTORNEYS

Spur Energy Partners LLC Dana S. Hardy

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INTERESTED PARTY ATTORNEYS

None.

STATEMENT OF THE CASE

Applicant seeks an order pooling all uncommitted interests in the San Andres formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Section 36, Township 17 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the **Cactus Sour State Com 110H** well ("Well"), which will be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 31, Township 17 South, Range 28 East, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 36, Township 17 South, Range 27 East. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well, the allocation of the costs, the designation of Applicant

as operator of the Well and the Unit, and a 200% charge for the risk involved in drilling and completing the Well.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Colleen Bradley	Landman	Affidavit	Approx. 5
Matthew Van Wie	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

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

Respectfully submitted,

HARDY MCLEAN LLC

/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. Santa Fe, NM 87505

QUESTIONS

Action 490746

QUESTIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	490746
	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.	