

**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. 25613

PRE-HEARING STATEMENT

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

APPLICANT

Spur Energy Partners LLC

ATTORNEYS

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INTERESTED PARTY

None.

ATTORNEYS

STATEMENT OF THE CASE

Applicant seeks an order pooling all uncommitted interests from the top of the Yeso formation at 3,900’ MD to the base of the Blinebry at 5,220’ MD underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 9 and the NE/4 of Section 8, Township 17 South, Range 29 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the following wells (“Wells”):

- **Peak 9-8 State 20H and Peak 9-8 State 70H** wells, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in NW/4 NE/4 (Unit B) of Section 8; and
- **Peak 9-8 State 21H** well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in SW/4 NE/4 (Unit G) of Section 8.

The completed interval of the Peak 9-8 State Com 70H well will be located within 330' of the quarter-quarter section line separating the S/2 N/2 and the N/2 N/2 of Section 9 and the N/2 NE/4 and S/2 NE/4 of Section 8 to allow for the creation of a 480-acre standard horizontal spacing unit. The completed intervals of the Wells will be orthodox.

Due to a depth severance within the Unit, Applicant seeks to pool only those uncommitted interests from the top of the Yeso formation at a stratigraphic equivalent of 3,900' MD to the base of the Blinberry at a stratigraphic equivalent of 5,220' MD as observed on the Chaser 8 State #2 well Schlumberger Sidewall Neutron Porosity Log (API No. 30-015-37807).

Also to be considered will be the cost of drilling and completing the Wells, the allocation of the costs, the designation of Applicant as operator of the Wells and the Unit, and a 200% charge for the risk involved in drilling and completing the Wells.

PROPOSED EVIDENCE

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

PROCEDURAL MATTERS

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

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

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QUESTIONS

Action 511729

QUESTIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 511729
	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.