

**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. 26087

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 in the Yeso formation underlying a 306.59-acre, more or less, standard horizontal spacing unit comprised of Lots 5 through 12 (N/2 equivalent) of Section 4, Township 18 South, Range 27 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the following wells (“Wells”): **Kite 4 Federal Com 10H, Kite 4 Federal Com 20H, and Kite 4 Federal Com 70H** wells, to be drilled from surface hole locations in the SW/4 NW/4 (Unit E) of Section 3 to bottom hole locations in Lot 8

(NW/4 NW/4 equivalent) of Section 4; and **Kite 4 Federal Com 11H** and **Kite 4 Federal Com 90H** wells, to be drilled from surface hole locations in the SW/4 NW/4 (Unit E) of Section 3 to bottom hole locations in Lot 9 (SW/4 NW/4 equivalent) of Section 4. The completed intervals of the Wells will be orthodox. The completed interval of the **Kite 4 Federal Com 20H** well will be located within 330' of the quarter-quarter section line separating Lots 5 through 8 (N/2 N/2 equivalent) and Lots 9 through 12 (S/2 N/2 equivalent) of Section 4 to allow for the creation of a standard 306.59-acre horizontal spacing unit.

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
Brian Swanson	Landman	Affidavit	Approx. 7
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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State of New Mexico
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Oil Conservation Division
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QUESTIONS

Action 580682

QUESTIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 580682
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<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>