

**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. 23012**

**PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

Spur Energy Partners, LLC

**ATTORNEYS**

Dana S. Hardy  
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**INTERESTED PARTIES**

**ATTORNEYS**

None.

**STATEMENT OF THE CASE**

Spur seeks an order pooling all uncommitted interests in the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Section 25, Township 19 South, Range 25 East, Eddy County, New Mexico.

- **Darko 25 Federal 20H well**, which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 26, Township 19 South, Range 25

East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 25 East;

- **Darko 25 Federal 21H well**, which will be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 26, Township 19 South, Range 25 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 25, Township 19 South, Range 25 East; and
- **Darko 25 Federal 30H well**, which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 26, Township 19 South, Range 25 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 25 East.

The completed intervals of the wells will be orthodox. The completed interval of the Darko 25 Federal 30H well will be located within 330' of the quarter-quarter section line separating the N/2 S/2 and S/2 S/2 of Section 25 to allow for the creation of a 320-acre standard horizontal spacing unit.

Also to be considered 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 14.92 miles south and approximately 3.07 miles west of Artesia, New Mexico.

**PROPOSED EVIDENCE**

<u>Witness</u>	<u>Occupation</u>	<u>Estimated Time</u>	<u>Exhibits</u>
Drew Oldis	Landman	Affidavit	Approx. 5
Matt 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*

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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 138038

**QUESTIONS**

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 138038
	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>