

**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. 21488

**SPUR ENERGY PARTNERS, LLC'S
PRE-HEARING STATEMENT**

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

APPEARANCES

APPLICANT

Spur Energy Partners, LLC

APPLICANT'S ATTORNEYS

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INTERESTED PARTY

ConocoPhillips

INTERESTED PARTY'S ATTORNEYS

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STATEMENT OF THE CASE

Spur Energy seeks an order pooling all uncommitted mineral interests in the Yeso formation in a 320-acre, more or less, standard (proximity tract) horizontal spacing unit comprised of the S/2 of Section 3, Township 17 South, Range 30 East in Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the following wells: (a) Poseidon 3 Fed #20H well, which will be horizontally drilled from a surface location in Unit I in Section 4 to a bottom hole location in Unit I in Section 3, Township 17 South, Range 30 East; (b) Poseidon 3 Fed #23H well, which will be horizontally drilled from a surface location in Unit I in Section 4 to a bottom hole location in Unit I in Section 3, Township 17 South, Range 30 East; and (c) Poseidon 3 #27H well, which will be horizontally drilled from a surface location in Unit I in Section 4 to a bottom hole location in Unit P in Section 3, Township 17 South, Range 30 East.

The completed intervals for the wells will be orthodox. Also to be considered will be the costs of drilling and completing the wells and the allocation of the costs, the designation of Spur Energy as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The granting of Spur Energy's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

PROPOSED EVIDENCE

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Morgan Landry (Landman)	10 minutes	Approx. 12
C. J. Lipinski (Geologist)	10 minutes	Approx. 6

Spur Energy reserves the right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

Spur Energy is not aware of any procedural matters to be resolved prior to the hearing. If there is no opposition to its application, Spur Energy will present its case by affidavit.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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Counsel for Spur Energy Partners, LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of October 2020, I sent a true and correct copy of the foregoing Pre-Hearing Statement via email to:

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