

**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. 21675

SPUR ENERGY PARTNERS, LLC'S PRE-HEARING STATEMENT

Spur Energy Partners, LLC ("Spur") (OGRID No. 328947), the applicant in the above-referenced case, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Spur Energy Partners, LLC

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

Spur seeks an order pooling all uncommitted interests in the Yeso formation (Penasco Draw; SA-Yeso (Assoc) Pool [Pool Code 50270]) underlying a standard 320-acre horizontal spacing unit comprised of the S/2 of Section 12, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

Spur seeks to dedicate this horizontal spacing unit to these proposed initial wells:

- The **Rose South #10H well** (API No. pending), the **Rose South #50H well** (API No. pending), and the **Rose South #60H well** (API No. pending), each of which will be horizontally drilled from a common surface location in the NW/4 SW/4 (Unit L) of Section 7, Township 19 South, Range 26 East, to bottom hole locations in the NW/4 SW/4 (Unit L) of Section 12;
- The **Rose South #11H well** (API No. pending), and the **Rose South #51H well** (API No. pending), each of which will be horizontally drilled from a common surface location in the SW/4 SW/4 (Unit M) of Section 7 to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 12; and
- The **Rose South #20H well** (API No. pending), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit M) of Section 7 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 12.

The completed interval of the **Rose South #20H well** will remain within 330 feet of the quarter-quarter line separating the N/2 S/2 from the S/2 S/2 of Section 12 to allow inclusion of these proximity tracts into a standard horizontal spacing unit.

APPLICANT’S PROPOSED EVIDENCE

<u>WITNESS</u> Name and Expertise	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Megan Peña, Landman	Affidavit	Approx. 4
C. J. Lipinski, Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

If uncontested at the time of hearing, Spur intends to present this case by affidavit.

Respectfully submitted,

HOLLAND & HART LLP

By: _____

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