

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NOS: 22883

APPLICATION OF SPUR ENERGY PARTNERS,
LLC TO AMEND ORDER NO R-21859 TO EXTEND
TIME TO COMMENCE DRILLING OPERATIONS,
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
JULY 7, 2022
SANTA FE, NEW MEXICO

This matter came on for virtual hearing before
the New Mexico Oil Conservation Division, HEARING OFFICER
WILLIAM BRANCARD and TECHNICAL EXAMINER DEAN McCLURE on
Thursday, July 7, 2022, through the Webex Platform.

Reported by: PAUL BACA PROFESSIONAL COURT REPORTERS
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A P P E A R A N C E S

JACKIE McLEAN
HINKLE SHANOR LLP
P.O. Box 0268
Santa Fe, NM 87504
505-982-4554

I N D E X

CASE CALLED

TAKEN UNDER ADVISEMENT 05

REPORTER CERTIFICATE 06

E X H I B I T I N D E X

Admitted

Exhibits and Attachments 05

1 HEARING EXAMINER BRANCARD: With that we go to
2 Case 22883, Spur Energy Partners.

3 MS. McLEAN: Again, Jackie McLean with Hinkle
4 Shanor on behalf of Spur.

5 HEARING EXAMINER BRANCARD: Thank you. Are there
6 any other interested persons for Case 22883?

7 (No audible response.)

8 HEARING EXAMINER BRANCARD: Hearing none, please
9 proceed.

10 MS. McLEAN: Thank you. In Case 22883 Spur seeks
11 to extend the deadline to extend drilling operations until
12 December 31, 2023. On October 7, 2021 the Division entered
13 Order Number R-21859 in Case Number 21676 and pooled all
14 uncommitted interest in the Yeso Formation at a depth of
15 4,225 feet, 100 feet in the Loco Hills Glorietta Yeso Pool,
16 and 350 acre horizontal spacing unit, a proximity tract
17 unit, comprised of the S/2 of Section 7, Township 17 South,
18 Range 30 East, in Eddy County, New Mexico.

19 And the order dedicated the unit to Merak 7
20 Federal 10H, 11H, 22H, 51H and 52H wells and designated Spur
21 as the operator of the unit wells. Spur now seeks an
22 extension of the drilling deadline until December 31, 2023.

23 And the exhibit packet that was submitted to the
24 Division contains Exhibit A, the land professional's
25 testimony and related exhibits, including the Order R-21859,

1 and Exhibit B which is the self-affirmed statement for
2 notice which has the notice letter, all parties notified of
3 the notice, setting up the date the letter was sent and when
4 we received the certified mail returned, as well as
5 Exhibit B-3 which is the affidavit of publication showing
6 notice was timely published on June 17, 2022.

7 And with that I would ask that Exhibits A and B
8 be admitted into the record and that Case Number 22883 be
9 taken under advisement.

10 HEARING EXAMINER BRANCARD: Mr. McClure,
11 questions?

12 TECHNICAL EXAMINER McCLURE: Yes, Mr. Brancard, I
13 do. Miss McLean, I guess the only question I have, did you
14 reference that you are asking for an extension until
15 December of 2023, or did I mishear that?

16 MS. McLEAN: Yes, sir, that is correct.

17 TECHNICAL EXAMINER McCLURE: The order was issued
18 in October, am I correct there.

19 MS. McLEAN: That's correct. It's an extension
20 of 14 months, which I know typically they're extended for 12
21 months or a year, so Spur is asking for an additional two
22 months in addition to the 12 months just to give them some
23 operational flexibility and also hope to ensure that we
24 don't have to come back again for another extension. So the
25 additional two months is just to make sure it's completed by

1 the end of the year of 2023.

2 TECHNICAL EXAMINER McCLURE: Okay, thank you. No
3 more questions, Mr. Brancard.

4 HEARING EXAMINER BRANCARD: Thank you. Those are
5 my questions, too. First our process is to grant one year
6 extensions or less, so this would be a bit of a leap for us.
7 We will take it under consideration, but no guarantees that
8 you will get more than a year.

9 MS. McLEAN: Just a tiny two extra months of
10 relief, but I appreciate you taking it under consideration.

11 HEARING EXAMINER BRANCARD: Thank you. Are there
12 any other interested persons for -- where are we?

13 TECHNICAL EXAMINER McCLURE: 22883.

14 HEARING EXAMINER BRANCARD: 22883.

15 (No audible response.)

16 HEARING EXAMINER BRANCARD: Hearing none, the
17 exhibits in 22883 will be admitted into the record and the
18 case will be taken under advisement.

19 MS. McLEAN: Thank you.

20 (Exhibits admitted.)

21 (Taken under advisement.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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6 I do hereby certify that I reported the
7 foregoing virtual proceedings in stenographic shorthand and
8 that the foregoing pages are a true and correct transcript
9 of those proceedings to the best of my ability.

10 I FURTHER CERTIFY that I am neither employed by
11 nor related to any of the parties or attorneys in this case
12 and that I have no interest in the final disposition of this
13 case.

14 I FURTHER CERTIFY that the Virtual Proceeding was
15 of poor to good quality.

16 Dated this 7th day of July 2022.

17

/s/ Irene Delgado

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Court Reporter
License Expires: 12-31-22

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