

Approved

NSL

Order

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



February 1, 2021

Ms. Sarah Chapman
schapman@spurepllc.com

NON-STANDARD LOCATION

Administrative Order NSL-8120

Spur Energy Partners LLC [OGRID 328947]
Morris Boyd Well No. 10H
API No. 30-015-47909

Proposed Location

| | Footages | Unit/Lot | Sec. | Twsp | Range | County |
|------------------|--------------------|-----------------|-------------|-------------|--------------|---------------|
| Surface | 954 FSL & 2084 FEL | O | 23 | 19S | 25E | Eddy |
| First Take Point | 100 FNL & 1630 FEL | B | 26 | 19S | 25E | Eddy |
| Last Take Point | 100 FSL & 1630 FEL | O | 26 | 19S | 25E | Eddy |
| Terminus | 50 FSL & 1630 FEL | O | 26 | 19S | 25E | Eddy |

Proposed Horizontal Units

| Description | Acres | Pool | Pool Code |
|-----------------------|--------------|----------------------------------|------------------|
| W/2 E/2 of Section 26 | 160 | N. Seven Rivers; Glorieta - Yeso | 97565 |

Reference is made to your application received on January 11, 2021.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 310 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 26, encroachment to the E/2 E/2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location as an efficient well spacing of horizontal wells within the Glorieta - Yeso formation underlying the W/2 E/2 of Section 26, therefore maximize resource recovery and preventing waste.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Artesia District Office

From: [Lowe, Leonard, EMNRD](#)
To: schapman@spurepllc.com
Cc: [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); "lisa@rwbyram.com"; [Simmons, Kurt, EMNRD](#); [McClure, Dean, EMNRD](#); [Simmons, Kurt, EMNRD](#); [Garcia, John A, EMNRD](#); [Powell, Brandon, EMNRD](#)
Subject: APPROVED NSL-8120.8121_Spur Energy Partners, LLC_Morris Boyd Wells_SEC 26 19S 25E
Date: Tuesday, February 9, 2021 8:50:00 AM
Attachments: [NSL-8120_Order.pdf](#)
[NSL-8121_Order.pdf](#)
Importance: High

Ms. Sarah Chapman,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

| NSL | AMD | Applicant | OGRID | WELL NAME | API # |
|------|-----|---------------------------|--------|--------------------------|--------------|
| 8121 | - | Spur Energy Partners, LLC | 328947 | Morris Boyd Well No. 11H | 30-015-47908 |
| 8120 | - | Spur Energy Partners, LLC | 328947 | Morris Boyd Well No. 10H | 30-015-47909 |

A copy of the approved orders are attached.

Leonard R. Lowe

Engineering Bureau

OCD - EMNRD

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<http://www.emnrd.state.nm.us/ocd/>