

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



May 6, 2021

Ms. Sarah Chapman
schapman@spurepllc.com

NON-STANDARD LOCATION

Administrative Order NSL-8179

**Spur Energy Partners, LLC [OGRID 328947]
Shorty 2 State Com Well No. 20H
API No. 30-015-48121**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	2018 FNL & 400 FWL	E	2	17S	30E	Eddy
First Take Point	2400 FNL & 100 FWL	E	2	17S	30E	Eddy
Last Take Point	2400 FNL & 100 FWL	H	2	17S	30E	Eddy
Terminus	2400 FNL & 50 FWL	H	2	17S	30E	Eddy

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S/2 N/2 of Section 2	160	Loco Hills; Glorieta – Yeso	96718

Reference is made to your application received on April 26, 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 240 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 2, encroachment to the N/2 S/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. However, the ownership is identical in the N/2 S/2 of Section 2; therefore, notice is not required.

Division understands you are seeking this unorthodox location for efficient spacing of horizontal wells and thereby prevent waste within the Glorieta - Yeso formation underlying the S/2 N/2 of Section 2.

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
State Land Office – Oil, Gas and Minerals Division

From: [Lowe, Leonard, EMNRD](#)
To: ["Sarah Chapman"](#)
Cc: [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); ["lisa@rwbyram.com"](#); [Holm, Anchor E.](#)
Subject: APPROVED NSL-8179_Spur Energy Partners LLC_Shorty 2 State Com Well No. 20H_SEC 2 17S 30E
Date: Monday, May 10, 2021 6:04:00 PM
Attachments: [NSL-8179 Approved Order.pdf](#)
Importance: High

Ms. Sarah Chapman,

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

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

NSL - 8179

Spur Energy Partners, LLC

Shorty 2 State Com Well No. 20H

API No. 30-015-48121

A Copy of the approved order is attached.

Leonard R. Lowe

Engineering Bureau

OCD - EMNRD

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C: 505-930-6717

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