State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary **Dylan M. Fuge, Director**Oil Conservation Division (Acting)



Dylan M. Fuge Deputy Secretary

Ms. Sarah Chapman, schapman@spurenergy.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8688

Spur Energy Partners, LLC [OGRID 328947] Weezer 28 Fee Well No. 1H API No. 30-015-PENDING

Reference is made to your application received on December 4th, 2023.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	2370 FNL & 1010 FEL	Н	29	18S	26E	Eddy
First Take Point	2590 FSL & 100 FWL	E	28	18S	26E	Eddy
Last Take Point	2590 FSL & 100 FEL	Н	28	18S	26E	Eddy
Terminus	2590 FSL & 50 FEL	Н	28	18S	26E	Eddy

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
S/2 N/2 of Section 28	160	Atoka; Glorieta – Yeso	3250

You have requested to drill this horizontal well at an unorthodox 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 well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an oil well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet for an oil in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard

Administrative Order NSL - 8688 Spur Energy Partners, LLC Page 2 of 2

location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

This well's completed interval is as close as 50 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 28, 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.

Division understands you are seeking this unorthodox location in order to allow for efficient spacing of wells and thereby prevent waste within the Glorieta - Yeso formation underlying S/2 N/2 of Section 28.

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.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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.

DYLAN M. FUGE DIRECTOR (ACTING)

DMF/lrl

Date: 12/27/23

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 297726

CONDITIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	297726
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/27/2023