

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Dylan M. Fuge
Deputy Secretary

Dylan Fuge, Division Director (Acting)
Oil Conservation Division



Mr. Darin Savage
darin@abadieschill.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8691

Devon Energy Production Company, L.P. [OGRID 6137]
North Thistle 3 34 State Com Well No. 503H
API No. 30-025-51443

Reference is made to your application received on December 13th, 2023.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	534 FSL & 1561 FWL	N	03	23S	33E	Lea
First Take Point	100 FSL & 2541 FWL	N	03	23S	33E	Lea
Last Take Point	100 FNL & 2541 FWL	C	34	22S	33E	Lea
Terminus	20 FNL & 2541 FWL	C	34	22S	33E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 of Section 03, T23S, R33E	639.73	Brinninstool; Bone Spring	7320
W/2 of Section 34, T22S, R33E			

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.

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Devon Energy Production Company, L.P.
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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 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 99 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 03, T23S, R33E, encroachment to the W/2 E/2
Section 34, T22S, R33E, encroachment to the W/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. The Applicant/Operator of this well has a 100% Working Interest within all the affected tracts, therefore notice is not required.

Division understands you are seeking this unorthodox location in order to maximize production and to prevent waste within the Bone Spring formation underlying the E/2 Section 03, T23S, R33E and the E/2 Section 34, T22S, R33E.


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: 2/2/24

From: [Lowe, Leonard, EMNRD](#)
To: ["Sarah Chapman"](#)
Subject: RE: [EXTERNAL] Welch B 28 Federal 70H NSL
Date: Wednesday, February 7, 2024 4:07:00 PM
Attachments: [image001.png](#)
[image002.png](#)
Importance: High

Ms. Sarah Chapman,

Spur Energy Partners, LLC will NOT need to submit another NSL application for this situation. The previously approved NSL order is still valid, NSL – 8593.

As long as the perforated zone of the well did not change, as you indicated below, FTP & LTP:

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	1725 FNL & 826 FWL	E	27	17S	28E	Eddy
First Take Point	1505 FNL & 100 FEL	H	28	17S	28E	Eddy
Last Take Point	1505 FNL & 100 FWL	E	28	17S	28E	Eddy
Terminus	1505 FNL & 50 FWL	E	28	17S	28E	Eddy

Condition of approval to move forward.

1. Update the OCD on all Pending API wells that have an approved NSL order. OCD can link all the NSL Orders to their associated API number.
2. Update the OCD when this well has its approved APD. The OCD can link the API number to NSL – 8593 at that time.

Thank you,

Leonard R. Lowe

Engineering Bureau
OCD - EMNRD
8801 Horizon Blvd NE
Albuquerque, N.M. 87113
CELL NUMBER: 505-930-6717
<http://www.emnrd.state.nm.us/oed/>

From: Sarah Chapman <schapman@spurenergy.com>
Sent: Monday, February 5, 2024 2:51 PM
To: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov>
Subject: [EXTERNAL] Welch B 28 Federal 70H NSL

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Leonard:

Since Spur lost the permit for the Welch B 28 Federal 70H, we are in the process of sundry-ing the Welch B 28 Federal 90H APD; the Welch 90H will now become Spur's 70H well. We are even sundry-ing the 90H well number to change to the 70H. That being said, the attached approved NSL will have the incorrect API number, however everything else will remain the same. The SHL, FTP, LTP and BHL will not be changing—it's quite confusing but attached is what was submitted to the BLM on our behalf.

I'm hoping that since nothing but the API number is changing, we won't be required to do anything but please let me know.

Sarah Chapman

Regulatory Director

SPUR ENERGY PARTNERS LLC

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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CONDITIONS

Action 312834

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 312834
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	2/8/2024