

Approved

NSL

Order

Approved: 11/10/20

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



November 10, 2020

Ms. Sarah Chapman
schapman@spurellc.com

NON-STANDARD LOCATION

Administrative Order NSL-8090

Spur Energy Partners LLC [OGRID 328947]
Lakewood Federal Com Well No. 15H
API No. 30-015-46064

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	520 FNL & 1270 FWL	4	3	20S	25E	Eddy
First Take Point	100 FSL & 1205 FWL	M	34	19S	25E	Eddy
Last Take Point	100 FNL & 1205 FWL	D	34	19S	25E	Eddy
Terminus	20 FNL & 1205 FWL	D	34	19S	25E	Eddy

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 W/2 of Section 34	160	N. Seven Rivers; Glorieta - Yeso	97565

Reference is made to your application received on October 20, 2020.

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 115 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 34, encroachment to the E/2 W/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 in order to maximize recovery and to prevent waste within the Glorieta - Yeso formation underlying the W/2 W/2 of Section 34.

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
Bureau of Land Management – Carlsbad Field Office

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, November 16, 2020 10:13 AM
To: 'Sarah Chapman'
Cc: Bratcher, Mike, EMNRD; Kautz, Paul, EMNRD; 'lisa@rwbyram.com'; Simmons, Kurt, EMNRD; Terry Warnell; McClure, Dean, EMNRD; Garcia, John A, EMNRD; Powell, Brandon, EMNRD; 'jglover@blm.gov'
Subject: APPROVED NSL-8090.8091_Spur Energy Partners LLC._Lakewood Fed Com Well No. 15H.14H_SEC 34 19S 25E
Attachments: NSL-8090_Order.pdf; NSL-8091_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	AMD	Applicant	OGRID	WELL NAME
8091	-	Spur Energy Partners, LLC	328947	Lakewood Federal Com Well No. 14H
8090	-	Spur Energy Partners, LLC	328947	Lakewood Federal Com Well No. 15H

Copies of the order are attached.

Thank you,

Leonard R. Lowe

Engineering Bureau
OCD - EMNRD
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<http://www.emnrd.state.nm.us/ocd/>