

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



December 28, 2020

Ms. Sarah Chapman
schapman@spurepllc.com

NON-STANDARD LOCATION

Administrative Order NSL-8108

**Spur Energy Partners LLC [OGRID 328947]
Welch A 28 State Well No. 20H
API No. 30-015-47741**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	655 FNL & 930 FWL	D	27	17S	28E	Eddy
First Take Point	1080 FNL & 100 FEL	A	28	17S	28E	Eddy
Last Take Point	1080 FNL & 100 FWL	D	28	17S	28E	Eddy
Terminus	1080 FNL & 50 FWL	D	28	17S	28E	Eddy

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
N/2 N/2 of Section 28	160	Artesia; Glorieta - Yeso	96830

Reference is made to your application received on December 7th, 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 240 feet to the southern boundary of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 28, encroachment to the S/2 N/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.

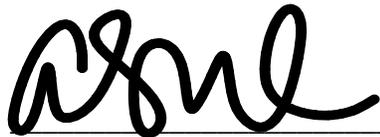
Division understands you are seeking this unorthodox location as an efficient well spacing in order to maximize recovery and to prevent waste within the Glorieta - Yeso formation underlying the N/2 N/2 of Section 28.

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.**

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 Mineral Division

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, January 4, 2021 12:50 PM
To: 'Sarah Chapman'
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; 'jglover@blm.gov'; Holm, Anchor E.
Subject: APPROVED NSL - 8108_Spur Energy Partners, LLC_Welch A 28 State Well No. 20H_SEC 27 17S 28E
Attachments: NSL-8108_Spur Energy Partners LLC_Welch A 28 State Well No. 20H_SEC 27 17S 28E.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
8108	-	Spur Energy Partners, LLC	328947	Welch A 28 State Well No. 20H

A copy of the approved order is attached.

Leonard R. Lowe

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