

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



Sarah Chapman
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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8820

Spur Energy Partners, LLC [OGRID 328947]
Grove 16 State Com Well No. 10H
API No. 30-015-55840

Reference is made to your application received on November 5th, 2024.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	765 FSL & 2536 FWL	N	16	17S	31E	Eddy
First Take Point	1200 FSL & 2545 FWL	N	16	17S	31E	Eddy
Last Take Point	1200 FSL & 100 FWL	M	16	17S	31E	Eddy
Terminus	1200 FSL & 50 FWL	M	16	17S	31E	Eddy

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S/2 SW/4 Section 16	80	Fren; Glorieta – Yeso	26770

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 in the horizontal plane, to any outer boundary of the horizontal spacing unit.

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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 Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 120 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 16, encroachment to the N/2 SW/4

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 to allow for efficient spacing of horizontal wells thus preventing waste and protecting correlative rights within the Fren; Glorieta – Yeso formation underlying the S/2 SW/4 of Section 16.

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.



GERASIMOS RAZATOS
DIRECTOR (ACTING)
GR/lrl

Date: 12/11/2024

Sante Fe Main Office
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General Information
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Online Phone Directory
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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 415135

CONDITIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 415135
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/26/2024