

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



January 19, 2022

Ms. Sarah Chapman,
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NON-STANDARD LOCATION

Administrative Order NSL-8269

Spur Energy Partners, LLC [OGRID 328947]
HT 18 Federal Well No. 12H
API No. 30-025-49373

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	657 FSL & 842 FWL	4	7	17S	32E	Lea
First Take Point	100 FNL & 1190 FWL	1	18	17S	32E	Lea
Last Take Point	100 FSL & 1190 FWL	4	18	17S	32E	Lea
Terminus	50 FSL & 1190 FWL	4	18	17S	32E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 W/2 of section 18	163.76	Maljamar; Yeso, West	44500

Reference is made to your application received on November 18th, 2021.

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

Section 18, 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 to allow for efficient spacing of horizontal wells and prevent waste within the Yeso formation underlying W/2 W/2 of section 18.

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: Bureau of Land Management – Carlsbad Field Office