

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



Ms. Sarah Chapman
SCHAPMAN@SPUREENERGY.com

NON-STANDARD LOCATION

Administrative Order NSL - 8439

**Spur Energy Partners, LLC [OGRID 328947]
Goodman 23 22 Well No. 50H
API No. 30-015-PENDING**

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	940 FNL & 1985 FEL	B	23	19S	25E	Eddy
First Take Point	1235 FNL & 2629 FWL	C	23	19S	25E	Eddy
Last Take Point	1235 FNL & 2516 FEL	B	22	19S	25E	Eddy
Terminus	1235 FNL & 2566 FEL	B	22	19S	25E	Eddy

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
N/2 NW/4 of Section 23	160	N. Seven Rivers; Glorieta – Yeso	97565
N/2 NE/4 of Section 22			

Reference is made to your application received on September 14th, 2022.

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 85 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 23, encroachment to the S/2 NW/4
Section 22, encroachment to the S/2 NE/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 and thereby prevent waste within the Glorieta-Yeso formation underlying the N/2 NW/4 of Section 23 and N/2 NE/4 of Section 22.

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.



ADRIENNE E. SANDOVAL
Division Director

Date: 10/19/2022

AES/lrl