

State of New Mexico  
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor

Melanie Kenderline  
Deputy Secretary

Dylan M. Fuge  
Deputy Secretary

Dylan M. Fuge, Division Director (Acting)  
Oil Conservation Division



Mr. Kevin Klein  
[Kklein@aecnrm.com](mailto:Kklein@aecnrm.com)

**ADMINISTRATIVE NON-STANDARD LOCATION**

**Administrative Order NSL - 8749**

**Armstrong Energy Corporation [OGRID 1092]  
Roueche 5 Well No. 1  
API No. 30-025-36629**

Reference is made to your application received on April 12<sup>th</sup>, 2024.

**Surface Location; Vertical Well**

<b>Footages</b>	<b>Unit/Lot</b>	<b>Sec.</b>	<b>Twsp</b>	<b>Range</b>	<b>County</b>
500 FSL & 1120 FEL	P	05	17S	37E	Lea

**Proposed Oil Unit**

<b>Description</b>	<b>Acres</b>	<b>Pool</b>	<b>Pool Code</b>
SE/4 SE/4 Section 05	40	Lovington; Paddock	40660

This vertical well was drilled at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide rules, which provides for 40-acre units, with wells to be located at least 330 from the QTR/QTR line.

This well's completed interval is as close as 200 feet to the western boundary. Encroachment will impact the following tracts.

Section 05, encroachment to the SW/4 SE/4

Administrative Order NSL - 8749  
Armstrong Energy Corporation  
Page 2 of 2

---

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands that you are seeking this orthodox location to allow for the most efficient development of acreage within the Paddock formation underlying the SE/4 SE/4 of Section 05.

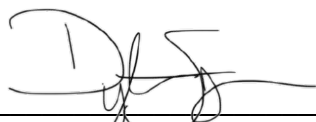
Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 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.



---

**DYLAN M. FUGE**  
**Division Director**

**Date:** 5/16/24

DMF/lrl

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

CONDITIONS

Action 345713

CONDITIONS

Operator: ARMSTRONG ENERGY CORP P.O. Box 1973 Roswell, NM 88202	OGRID: 1092
	Action Number: 345713
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	5/20/2024