State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



January 28, 2014

Elm Ridge Exploration Company, LLC Attn: Mr. Brian Wood

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6994 Administrative Application Reference No. pMAM1400940429

Elm Ridge Exploration Company, LLC OGRID 149052 Jicarilla Apache F Well No. 19 API No. 30-039-31130

Proposed Location:					
Footages	Unit	Section	Township	Range	County
1917 FSL & 2478 FEL	J	17	25N	5W	Rio Arriba

Proposed Unit:			
Description	Acres	Pool	Pool Code
SE/4 of Section 17	160	Lindrith Gallup-Dakota, West	39189

Reference is made to your application received on January 8, 2014.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 160-acre units with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit outer boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location due to land uses.

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It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Am taky

Jami Bailey Director

JB/mam

cc: New Mexico Oil Conservation Division – Aztec Bureau of Land Management - Farmington