

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



Mr. Kyle Alpers
kalpers@aecnm.com

NON-STANDARD LOCATION

Administrative Order NSL - 8434

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

Surface Location; Vertical Well

Footages	Unit/Lot	Sec.	Twsp	Range	County
600 FSL & 1120 FEL	P	5	17S	37E	Lea

Proposed Oil Unit

Description	Acres	Pool	Pool Code
SE/4 SE/4 of Section 5	40	Humble City; Wolfcamp	33510

Reference is made to your application received on August 25th, 2022.

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 5, encroachment to the SW/4 SE/4

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 due to recompleting this well into a different pool/formation within the Wolfcamp formation underlying the SE/4 SE/4 of Section 5.

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.



ADRIENNE E. SANDOVAL
Division Director

Date: 10/19/2022

AES/lrl