## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David R. Catanach, Division Director
Oil Conservation Division



July 6, 2015

Ms. Dana Arnold MRC Permian Company One Lincoln Centre 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240

RE: Request for Extension to Complete the Ann Com. Well No. 1, Pursuant to Division Order No. R-13743/Case No. 15022

Dear Ms. Arnold:

Reference is made to your request on behalf of MRC Permian Company ("MRC") received by the Division on July 1, 2015, for the Ann Com. Well No. 1 (API No. 30-015-23036; "subject well") with a surface location in Unit letter G of Section 15, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

It is our understanding that MRC has re-entered and completed the drilling of the subject well but is unable to meet the 120-day completion requirement included in Ordering Paragraph (5) of Order No. R-13743. The subject well was re-entered on February 28, 2013, and would have required completion of the well no later than June 29, 2013. Three prior extensions have been granted for the subject well resulting in a current deadline of December 1, 2015, for completion.

MRC has identified a lack of pipeline access for gas production and has presented plans in a meeting with the Director to further develop the acreage within the Unit with a horizontal well as cause for an additional extension. Based on these reasons, MRC has requested a one-year extension for completion of the subject well.

The Division has reviewed your request and hereby extends the date to complete this well, pursuant to Ordering Paragraph (5), to December 1, 2016. All other provisions of Order No. R-13743 remain in full force and effect.

If you have any questions, please contact Phillip Goetze at 505.476.3466.

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Sincerely,

DAVID R. CATANACH

Director

DRC/prg

cc: Oil Conservation Division – Artesia District Office

Case No. 15022

Well File API No. 30-015-23036