



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

June 2, 2005

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

RB Operating Company  
777 Main Street – Suite 800  
Fort Worth, Texas 76102

Attention: **Linda C. Stiles**  
*lstiles@rangeresources.com*

*Administrative Order NSL-5212*

Dear Ms. Stiles:

Reference is made to the following: (i) your application (**administrative application reference No. pSEM0-515238314**) filed with the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico, by telefax on June 1, 2005; (ii) your initial telephone conversation with Mr. Michael E. Stogner, Engineer with the Division in Santa Fe on Wednesday morning, June 1, 2005; (iii) yours and Mr. Bobby Ebier's conference call with Mr. Stogner on Thursday afternoon, June 2, 2005; and (iv) the Division's records in Artesia and Santa Fe: all concerning RB Operating Company's request for an exception to Rule 4 of the "*Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool*," as promulgated by Division Order No. R-6139, as amended, for the existing South Culebra Bluff Unit Well No. 1 (API No. **30-015-22320**), located at an unorthodox oil well location 1980 feet from the North line and 1650 feet from the East line (Unit G) of Section 23, Township 23 South, Range 28 East, NMPM, Lea County, New Mexico.

The W/2 NE/4 of Section 23 is to be dedicated to this well in order to form a standard 80-acre stand-up oil spacing and proration unit for the South Culebra Bluff-Bone Spring Pool (15011).

This application has been duly filed under the provisions of: (i) Rule 5 of the special rules for the South Culebra Bluff-Bone Spring Pool; and (ii) Division Rules 104.F and 1207.A(2).

From the Division's records, this well was initially drilled in 1977/78 by both Amoco Production Company and Delta Drilling Company to a depth of 11,876 feet and was subsequently completed in the South Culebra Bluff-Atoka Gas Pool (75740) at a standard gas well location in the E/2 of Section 23, being a standard 320-acre stand-up gas spacing unit.

It is further understood that RB Operating Company recently abandoned the Atoka interval and recomplete this well up-hole into the Bone Spring formation.

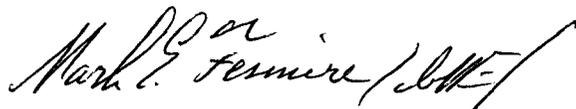
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By the authority granted me under the provision Rule 5 of these special pool rules and Division Rule 104.F (2), the unorthodox South Culebra Bluff-Bone Spring oil well location for the above-described South Culebra Bluff Unit Well No. 1 is hereby approved.

Sincerely,



Mark E. Fesmire, P. E.  
Director

MEF/ms

cc: New Mexico Oil Conservation Division - Artesia