

DATE IN: 1-31-13	SUSPENSE: NA	ENGINEER: DB	LOGGED IN: 1-31	TYPE: NSL	APP NO.: PDKB1303149412
------------------	--------------	--------------	-----------------	-----------	-------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*Alamo Permian Resources, LLC  
 Delhi B St #4*

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

6745

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR

- [D] Other: Specify \_\_\_\_\_

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply

- [A]  Working, Royalty or Overriding Royalty Interest Owners  
 [B]  Offset Operators, Leaseholders or Surface Owner  
 [C]  Application is One Which Requires Published Legal Notice  
 [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

<u>Tyler Woodruff</u>	<u>[Signature]</u>	<u>Leadman</u>	<u>1/31/13</u>
Print or Type Name	Signature	Title	Date
		<u>twodruff@alamoconservation.com</u>	
		e-mail Address	



January 31, 2013

**Emailed**

New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

Attention: Ms. Jami Bailey, CPG  
Division Director

Re: Application for Unorthodox Well Location  
Delhi "B" State #4  
30-015-40832  
260' FSL & 330' FWL (Unit M)  
Section 28, T-17 South, R-28 East, NMPM  
Eddy County, New Mexico

Dear Ms. Bailey:

Pursuant to Division Rule 19.15.15.13, Alamo Permian Resources, LLC, ("Alamo") respectfully requests administrative approval of an unorthodox oil well location for its proposed Delhi "B" State #4. This well will initially be drilled as a development oil well in the Red Lake; Queen-Grayburg-SA Pool 51300 at an unorthodox well location 260 feet from the South line and 330 feet from the West line (Unit M) of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. The well will be dedicated to an existing 40-acre spacing and proration unit in the Red Lake; Queen-Grayburg-SA Pool comprising the SW/SW of Section 28.

The Red Lake; Queen-Grayburg-SA Pool is currently governed by Division Rule 19.15.15.9 which requires standard 40 acre oil spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit.

As shown on the attached aerial map, there are buried gas lines, overhead electric power lines, and a caliche road within the SW/SW of Section 28 that preclude drilling at a legal distance from the South line of this 40-acre tract. Relocating this well East to the other side of the road is unacceptable because this would place the well too close to the Delhi "B" State #2. Relocating the well to the North of the buried pipelines is unacceptable because this would place the well too close to the Delhi "B" State #3. The proposed unorthodox location is necessary in order to maintain a safe distance from the buried gas line, electric lines, and Alamo's existing Delhi "B" State #2 and Delhi "B" State #3 wells.

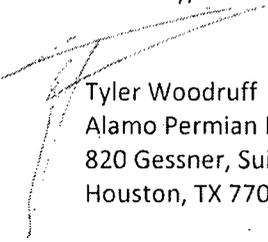
The affected offset acreage comprises the NW/NW of Section 33 and NE/NE of Section 32. Alamo has preemptively contacted the offset operators of those tracts and has received a formal waiver of objection from both operators.

Attached is a Form C-102 showing the proposed well and an aerial map showing the buried gas lines, electrical lines, and road in the spacing unit. Also attached are copies of the executed unorthodox well location objection waivers from the offset operators to the adjoining spacing units.

In summary, approval of the application will provide Alamo the opportunity to recover additional oil and gas reserves from the Red lake; Queen-Grayburg-SA Pool underlying the SW/SW of Section 28 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

If you should have any questions, please call me at 832-657-8005.

Sincerely,



Tyler Woodruff  
Alamo Permian Resources, LLC.  
820 Gessner, Suite 1650  
Houston, TX 77024

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 15, 2009  
Submit one copy to appropriate  
District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number		Pool Code <b>51300</b>	Pool Name <b>Red Lake Q-GBSA</b>
Property Code	Property Name <b>DELHI "B" STATE</b>		Well Number <b>4</b>
GRID No. <b>274841</b>	Operator Name <b>ALAMO PERMIAN RESOURCES, LLC</b>		Elevation <b>3688.1</b>

**Surface Location**

Bl. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>28</b>	<b>17 S</b>	<b>28 E</b>		<b>260</b>	<b>SOUTH</b>	<b>330</b>	<b>WEST</b>	<b>EDDY</b>

**Bottom Hole Location If Different From Surface**

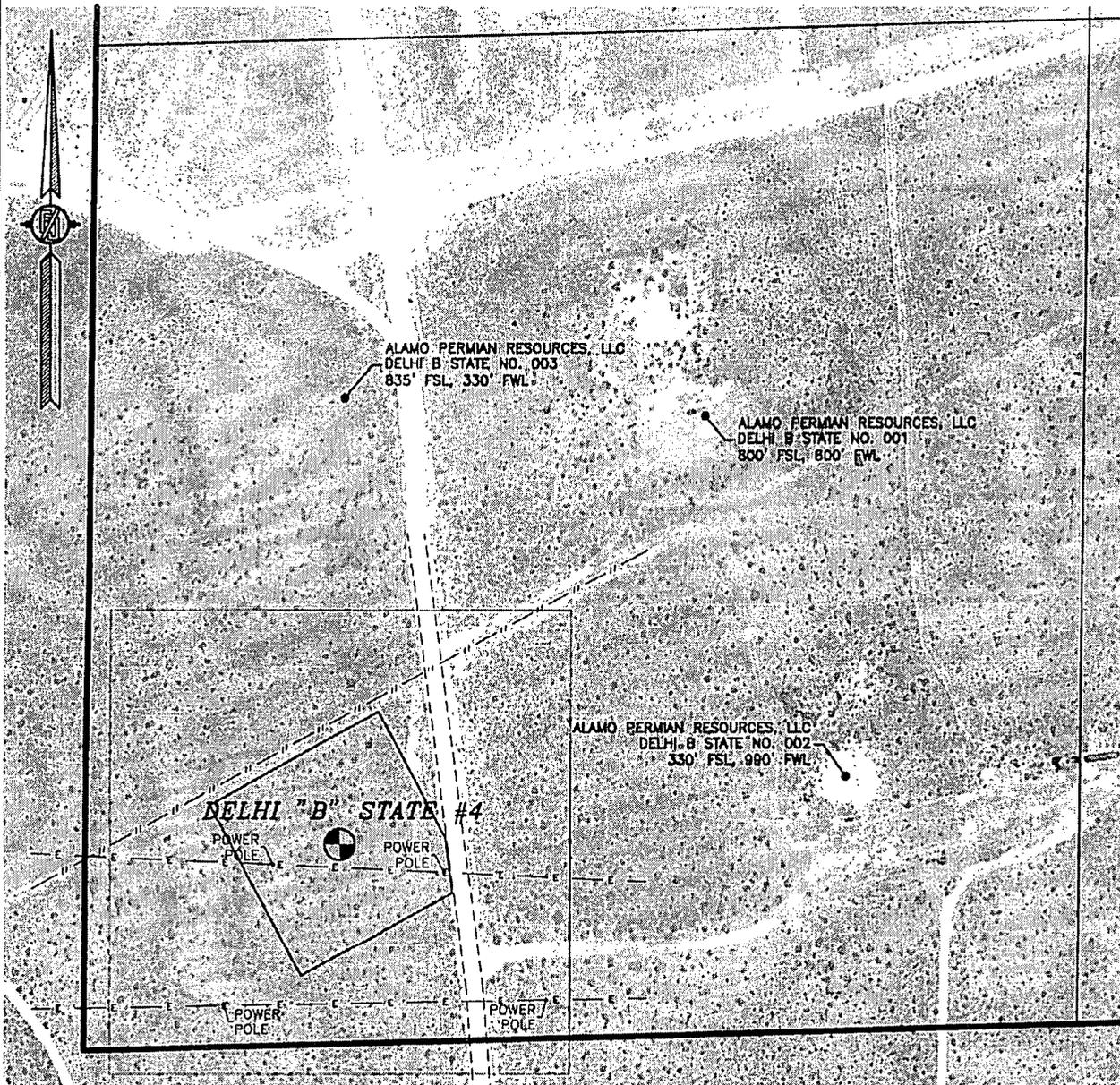
Bl. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>NW CORNER SEC. 28 LAT. = 32°48'44.48"N LONG. = 104°11'21.31"W</p>	<p>NE CORNER SEC. 28 LAT. = 32°48'45.99"N LONG. = 104°10'20.46"W</p>	<p><b>" OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or its voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____ Printed Name _____</p>
<p>SW CORNER SEC. 28 LAT. = 32°47'53.09"N LONG. = 104°11'22.04"W</p> <p><b>DELHI "B" STATE #4</b> ELEV. = 3688.1' LAT. = 32°47'55.740"N (NAD83) LONG. = 104°11'18.138"W</p> <p>260' 330' SURFACE LOCATION</p>	<p>SE CORNER SEC. 28 LAT. = 32°47'54.31"N LONG. = 104°10'21.18"W</p>	

SECTION 28, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.  
 EDDY COUNTY, STATE OF NEW MEXICO



AERIAL PHOTO:  
 GOOGLE EARTH  
 JUNE 2011

UNIT M - SW/4 SW/4  
 SECTION 28, TOWNSHIP 17 SOUTH,  
 RANGE 28 EAST, N.M.P.M.  
 EDDY COUNTY, STATE OF NEW MEXICO

FOR INFORMATION PURPOSES ONLY, DATA COMPILED FROM FIELD,  
 OGD RECORDS AND UNCONTROLLED AERIAL PHOTOGRAPHY

ALAMO PERMIAN RESOURCES, LLC  
 DELHI "B" STATE #4  
 LOCATED 260 FT. FROM THE SOUTH LINE  
 AND 330 FT. FROM THE WEST LINE OF  
 SECTION 28, TOWNSHIP 17 SOUTH,  
 RANGE 28 EAST, N.M.P.M.  
 EDDY COUNTY, STATE OF NEW MEXICO

NOVEMBER 23, 2011

SURVEY NO. 715

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO  
(575) 234-3341



September 11, 2012

COG Operating LLC  
Mr. Brandon K. Gaynor  
One Concho Center  
600 W. Illinois Avenue  
Midland, Texas 79701  
Office: (432) 221-0308

Re: Delhi "B" State #4  
Section 28, T17S-R28E  
260' FSL & 330' FWL  
Eddy County, New Mexico

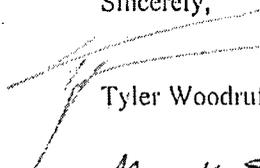
Mr. Gaynor:

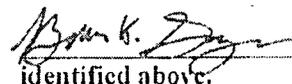
Alamo Permian Resources, LLC will be submitting an application to the New Mexico Oil Conservation Division for an unorthodox well location for its Delhi "B" State No.4 to be drilled 260 feet from the South line and 330 feet from the West line of Section 28, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Alamo Permian Resources, LLC intends to dedicate a 40 acre spacing unit in the SW/4 of the SW/4 of Section 28 to this well.

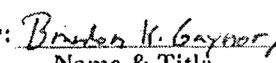
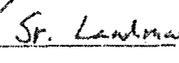
In advance of filing the application with the Division, we request your waiver of objection to the unorthodox location by signing below.

Thank you for your consideration of this matter. Should you wish to discuss this matter further, please feel free to call me at 832-657-8005 or 281-796-1097.

Sincerely,

  
Tyler Woodruff

 hereby waives objection to the unorthodox well location identified above.

By:  /   
Name & Title

Date: 9/12/2012



August 16, 2012

Lime Rock Resources  
Mr. Chuck Reagan  
Heritage Plaza, Suite 4600  
1111 Bagby Street  
Houston, Texas 77002  
Office: (713) 292-9548

Re: Delhi "B" State #4  
Section 28, T17S-R28E  
260' FSL & 330' FWL  
Eddy County, New Mexico

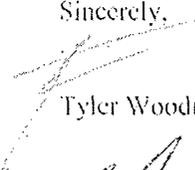
Mr. Reagan:

Alamo Permian Resources, LLC will be submitting an application to the New Mexico Oil Conservation Division for an unorthodox well location for its Delhi "B" State No.4 to be drilled 260 feet from the South line and 330 feet from the West line of Section 28, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Alamo Permian Resources, LLC intends to dedicate a 40 acre spacing unit in the SW/4 of the SW/4 of Section 28 to this well.

In advance of filing the application with the Division, we request your waiver of objection to the unorthodox location by signing below.

Thank you for your consideration of this matter. Should you wish to discuss this matter further, please feel free to call me at 832-657-8005 or 281-796-1097.

Sincerely,

  
Tyler Woodruff

 hereby waives objection to the unorthodox well location identified above.

By: C. Tom Miller, Chief Operating Officer  
Name & Title

Date: 8/31/12