

ID NO. 128331

NSL - 8410

Revised March 23, 2017

RECEIVED: 07/25/22	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2220663012
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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

**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

Applicant: Armstrong Energy Corporation **OGRID Number:** 1092
Well Name: Rocky Raccoon #1 **API:** 30-025-49594
Pool: Reeves; Devonian **Pool Code:** 51940

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☒ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

- 3) **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.

Kyle Alpers

Print or Type Name

Signature

07/25/2022

Date

575-625-2222

Phone Number

kalpers@aecnm.com

e-mail Address



500 North Main Street, Suite 200
P.O. Box 1973
Roswell, New Mexico 88202-1973
(575) 625-2222
Fax (575) 622-2512

July 25, 2022
Submitted via OCD's electronic filing system

Leonard Lowe
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Armstrong Energy Corporation
Request for Administrative Approval of Non-Standard Location

Rocky Raccoon #1
NW/4SE/4 Section 24, T18S, R35E
Lea County, New Mexico
Reeves;Devonian Pool (Pool Code 51940)
API# 30-025-49594

Dear Mr. Lowe,

Pursuant to Division Rules 19.15.15.13(C)-(D) NMAC, Armstrong Energy Corporation ("AEC") requests administrative approval of a non-standard location for the above-referenced oil well in an approximately 40-acre spacing unit, more or less.

The standard setback in the horizontal plane from the completed interval to any outer boundary of the spacing unit is 330 feet for an oil well. 19.15.15.9-(A) NMAC. The bottom hole location of the above-referenced well, however, will be 244 feet at its closest point from the western boundary of the spacing unit and 274 feet from the northern boundary. AEC is requesting approval to decrease the setback for the completed interval of the above-referenced well. The proposed surface and bottom hole locations are 2366 feet FSL and 2396 feet FEL.

It is AEC's responsibility as a prudent operator to maximize the recovery of oil and gas reserves. Approval of the unorthodox bottom hole location will allow AEC to maximize recovery and prevent waste based on analysis of seismic data.


Attached is the C-102 form and map indicating the offset tracts to assist the Division in its review of AEC's request. AEC has sent notice to all affected persons on the enclosed spreadsheet by certified mail, return receipt requested, with a copy of this request, the plat, and the C-102. The notice also informs the affected persons that, if they object to the aforementioned

ARMSTRONG ENERGY CORPORATION

requests, they must file the objection in writing with the Division within 20 days from the date the Division receives this administrative approval request. I attached a sample of the notice letter and a spreadsheet with the types of interests and names of the affected parties, the location of each parties' interest, the date the letter was sent, and the mail tracking number for the mailings that went out today. There are currently no wells producing from the same pool or formation in any of the adjoining 40 acre spacing units, nor are there any active wells in any of the adjoining 40 acre spacing units producing from any pool or formation.

Please let me know if you have any questions or concerns. Thank you for your assistance in this matter.

Very truly yours,



Kyle Alpers

Enclosures

NW/4SE/4 Section 24, T18S R35E

API # 30-025-49594
Reeves; Devonian 51940NSL Affected Party List
Rocky Raccoon #1
Armstrong Energy Corporation

Type	Affected Party	Address	City, State Zip	Location	Date Sent	Mailing Tracking Number
WIO	Joseph J. Kelly	P.O. Box 310	Roswell, NM 88202-0310	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7008 1830 0002 6040 1334
WIO	David Petroleum Corporation	116 West 1st Street	Roswell, NM 88203	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7008 1830 0002 6040 1341
WIO	Guns Up Exploration, LLC	116 West 1st Street	Roswell, NM 88203	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7008 1830 0002 6040 1358
WIO	Hanson McBride Petroleum	P.O. Box 1515	Roswell, NM 88202-1515	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7008 1830 0002 6040 1365
WIO	Babe Development, LLC	P.O. Box 758	Roswell, NM 88202-0758	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5201
WIO	JOYCO Investments, LLC	P.O. Box 2104	Roswell, NM 88202-2104	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5218
WIO	CLM Production Company	P.O. Box 881	Roswell, NM 88202-0881	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5225
WIO	Abo Petroleum, LLC	P.O. Box 900	Artesia, NM 88211-0900	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5232
WIO	Salt Fork Limited	P.O. Box 911	Breckenridge, TX 76424-0911	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5249
WIO	Sheryl Cox	1209 San Juan Drive	Roswell, NM 88201	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5256
WIO	SDH Investments, Inc.	P.O. Box 64217	Lubbock, TX 79464	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5263
WIO	McBride Oil & Gas Corporation	P.O. Box 1515	Roswell, NM 88202-1515	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5270
WIO	Verde Vista Energy Company	P.O. Box 310	Roswell, NM 88202-0310	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5287
WIO	Armstrong Energy Corporation	P.O. Box 1973	Roswell, NM 88202-1973	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	Applicant	In House
WIO	Rio Potomac Investments LLC	P.O. Box 1973	Roswell, NM 88202-1973	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	In House
WIO	Armstrong Resources, LLC	P.O. Box 1973	Roswell, NM 88202-1973	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	In House
WIO	Gunsight Limited Partnership	P.O. Box 1973	Roswell, NM 88202-1973	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	In House
WIO	Breckenridge Partnership, Ltd.	P.O. Box 1973	Roswell, NM 88202-1973	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	In House
WIO	Slash Exploration Limited	P.O. Box 1973	Roswell, NM 88202-1973	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	In House
WIO	Chimney Rock Oil & Gas, LLC	P.O. Box 1973	Roswell, NM 88202-1973	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	In House
Lessor	Levi Sap Nei Thang, LLC	7080 Hollywood Blvd, STE 1100	Los Angeles, CA 90028	SW/4NE4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5294
Lessor	Levi Sap Nei Thang, LLC C/O Cindy's New Mexico, LLC	120 Madeira Dr. NE #219	Albuquerque, NM 87108	SW/4NE4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5300
Lessor	NM State Land Office	310 Old Santa Fe Trail	Santa Fe, NM 87501	SE/4NW/4, NE/4SW/4 Section 24 T18S R35E	7/25/2022	7007 2560 0002 2229 5317



500 North Main Street, Suite 200
P.O. Box 1973
Roswell, New Mexico 88202-1973
(575) 625-2222
Fax (575) 622-2512

July 25, 2022

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTERESTED PARTIES ON THE ATTACHED LIST

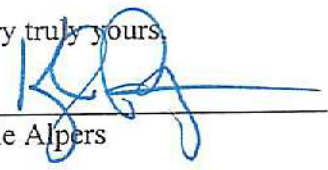
Re: Administrative Application for Non-Standard Location
Armstrong Energy Corporation
OGRID Number: 1092
Rocky Raccoon #1
NW/4SE/4 Section 24, T18S, R35E
Lea County, New Mexico
Reeves;Devonian Pool (Pool Code 51940)
API# 30-025-49594

Pursuant to Division Rules 19.15.15.13(C)-(D) NMAC, Armstrong Energy Corporation ("AEC") has on this date made application to the New Mexico Oil Conservation Division ("NMOCD") for administrative approval of a non-standard location regarding the above-referenced well. A copy of the application is enclosed.

Though there are no wells producing from the same pool or formation in any of the adjoining spacing units, as the owner of an interest that may be affected you have the right to object to the application. To do so, you must file a written protest with the NMOCD with in twenty days. Failure to do so will prevent you from challenging that matter at a later time. A letter of protest may be sent to NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, directed to the attention of Leonard Lowe.

Should you consent to the application and the proposed well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning a copy of this letter with the executed signature page to me at your earliest convenience.

Very truly yours,



Kyle Alpers

ARMSTRONG ENERGY CORPORATION

CONSENT:

By: _____ for _____
Signature Name of Interested Party

Printed Name, Authorized Representative

Armstrong Energy Corporation

Rocky Raccoon #1

Sec 24-18S-35E

Lea County, NM



Rocky Raccoon #1 spacing unit

Affected Parties List

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-9161 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1263 Fax: (575) 748-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 478-3460 Fax: (505) 478-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-49594	Pool Code 51940	Pool Name Reeves; Devonian
Property Code 331803	Property Name ROCKY RACCOON	Well Number 1
OGRID No. 1092	Operator Name ARMSTRONG ENERGY CORPORATION	Elevation 3871.9'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	24	18-S	35-E		2366	SOUTH	2396	EAST	LEA

Bottom Hole Location If Different From Surface

UL 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>NAD 83 NME SURFACE LOCATION Y=631340.3 N X=825267.1 E LAT.=32.732192° N LONG.=103.410000° W</p> <p>S.L.</p> <p>2396'</p> <p>2366'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Kyle Alpers</i> 11/19/21 Signature Date</p> <p>Kyle Alpers Printed Name</p> <p>kalpers@aecn.com E-mail Address</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 21, 2021 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p>
	<p>CHAD L. HARCROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p>
	<p>Chad L. Harcrow 9/30/21 Certificate No. CHAD HARCROW 17777 W.O. #21-807 DRAWN BY: AH</p>

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 128331

CONDITIONS

Operator: ARMSTRONG ENERGY CORP P.O. Box 1973 Roswell, NM 88202	OGRID: 1092
	Action Number: 128331
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	NSL - 8410 is approved. The approved Order can be retrieved at the following OCD website link. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	7/25/2022