

# Approved

## NSL

## Order

Approved: 10/08/20

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



October 8, 2020

Mr. Brian Wood  
[brian@permitswest.com](mailto:brian@permitswest.com)

NON-STANDARD LOCATION

**Administrative Order NSL-8089**

**Armstrong Energy Corporation [OGRID 1092]**  
**Ruth 20 Well No. 2**  
**API No. 30-025-36866**

**Surface Location; Vertical Well**

<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
523 FNL & 841 FWL	D	20	16S	36E	Lea

**Proposed Oil Unit**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NW/4 of Section 20	160	Shoe Bar; Wolfcamp, North	56295

Reference is made to your application received on October 2, 2020.

This vertical well was drilled at an unorthodox oil well location described above in the referenced pool and formation. This location is governed by special pool rules, R-4657, which provides for 160 acres and for wells to be located within 150 feet of the center of a governmental quarter-quarter section or Lot.

This well's completed interval is as close as 31 feet to the eastern edge. Encroachment will impact the following tracts.

Section 20, encroachment to the NE/4 NW/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. However, the ownership is identical in within all the affected tracts; therefore, notice is not required.

Division understands that this well is being recompleted in another pool/formation that locates this well at an unorthodox location underlying the NW/4 of Section 20. Division understands that your completion in this new zone will recover additional reserves and prevent waste by minimizing development costs.

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.**

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.



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**ADRIENNE E. SANDOVAL**  
**Division Director**

AES/lrl

cc: Oil Conservation Division – Hobbs District Office  
State Land Office – Oil, Gas, and Mineral Division

**From:** [Lowe, Leonard, EMNRD](#)  
**To:** "brian@permitswest.com"  
**Cc:** [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); "lisa@rwbyram.com"; [Scott Cox](#); [Simmons, Kurt, EMNRD](#); [Garcia, John A, EMNRD](#); [Holm, Anchor E](#)  
**Subject:** APPROVED NSL-8089\_Armstrong Energy Corporation\_Ruth 20 Well No. 2\_SEC 20 16S 36E  
**Date:** Monday, October 26, 2020 10:47:00 AM  
**Attachments:** [NSL-8089\\_Armstrong Energy Corp. Ruth 20 Well No. 2\\_ORDER.10.12.20pdf.pdf](#)  
**Importance:** High

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Mr. Brian Wood,

The following NSL Administrative Order has been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL	AMD	Applicant	OGRID	WELL NAME	API #
8089	-	Armstrong Energy Corporation	1092	Ruth 20 Well No. 2	30-025-36866

A copy of this approved order is attached.

**Leonard R. Lowe**

Engineering Bureau  
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<http://www.emnrd.state.nm.us/ocd/>