

DATE IN 1-31-13	SUSPENSE NA	ENGINEER DB	LOGGED IN 1-31	TYPE NSL	APP NO. PDKB1302/53272
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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
Wilson #3*

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

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.

Tyler Woodcutt
Print or Type Name

[Signature]
Signature

Landman
Title

1/31/13
Date

+woodcutt@alamopermian.com
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
Wilson #003
30-015-41017
2310' FSL & 1575' FEL (Unit J)
Section 2, T-17 South, R-31 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 Wilson #003. This well will initially be drilled as a development oil well in the Grayburg-Jackson; (SR-Q-G-SA) Pool 28509 at an unorthodox well location 2310 feet from the South line and 1575 feet from the East line (Unit J) of Section 2, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico. The well will be dedicated to an existing 40-acre spacing and proration unit in the Grayburg-Jackson; (SR-Q-G-SA) Pool comprising the NW/SE of Section 2. This unit is currently dedicated in the Grayburg-Jackson; (SR-Q-G-SA) Pool to Alamo's Wilson #002 (API No. 30-015-05041).

The Grayburg-Jackson; (SR-Q-G-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 within the NW/SE of Section 2 that preclude drilling at a legal distance from the East line of this 40-acre tract. Relocating this well to the other side of the buried lines is unacceptable because this would place the well too close to existing wells in Unit J. The proposed unorthodox location is necessary in order to maintain a safe distance from the buried gas line and Alamo's existing Wilson #002 well.

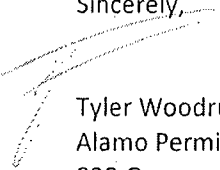
The affected offset acreage comprises the NE/SE and SE/NE of Section 2. Alamo currently operating numerous wells within the affected offset tracts that produce from the Grayburg-Jackson; (SR-Q-G-SA) Pool. Please note that the working interest ownership between the drill tract and the two affected offset tracts is common. Consequently, notice of this application is not required to any party.

Attached is a Form C-102 showing the proposed well and an aerial map showing the buried gas lines and other existing wells in the spacing unit.

In summary, approval of the application will provide Alamo the opportunity to recover additional oil and gas reserves from the Grayburg-Jackson; (SR-Q-G-SA) Pool underlying the NW/SE of Section 2 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
1623 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
311 S. First St., Artesia, NM 88210
Phone: (575) 745-1283 Fax: (575) 745-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6179
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 28509	³ Pool Name Drayling Jackson SR QEB-SA
⁴ Property Code	⁵ Property Name WILSON		⁶ Well Number 003
⁷ OGRID No. 274841	⁸ Operator Name ALAMO PERMIAN RESOURCES, L.L.C		⁹ Elevation 3998.7

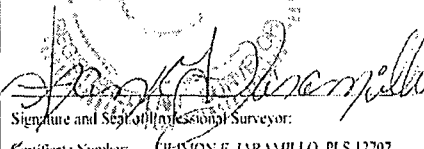
¹⁰ Surface Location

U.I. or lot no. J	Section 2	Township 17 S	Range 31 E	Lot Idn	Feet from the 2310	North/South line SOUTH	Feet from the 1575	East/West line EAST	County EDDY
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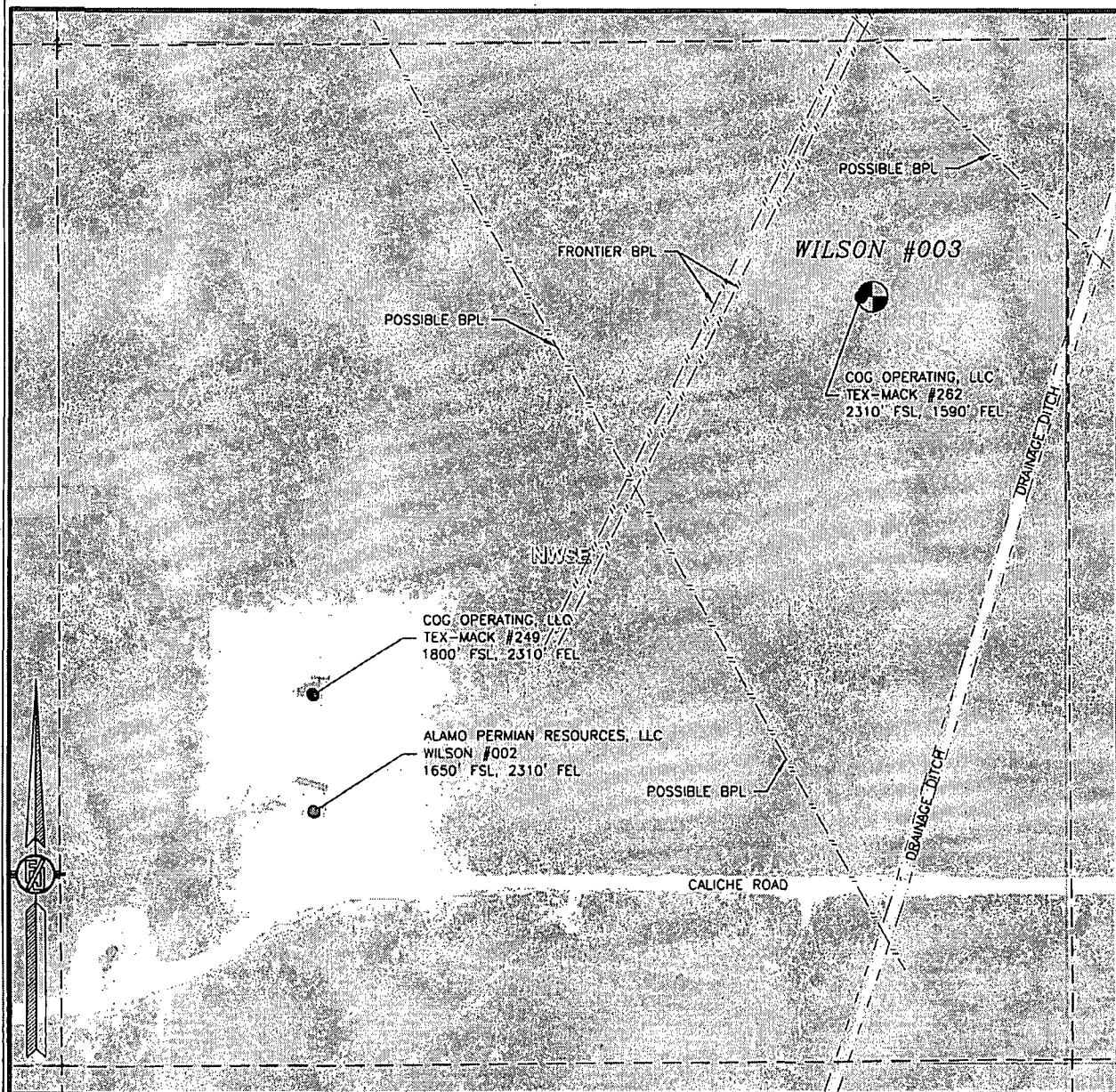
¹¹ Bottom Hole Location If Different From Surface

U.I. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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>S89°35'52"W 2640.79 FT</p> <p>NW CORNER SEC. 2 LAT. = 32°52'15.234"N LONG. = 103°50'58.155"W</p> <p>LOT 4</p> <p>W QUARTER CORNER SEC. 2 LAT. = 32°51'49.144"N LONG. = 103°50'58.123"W</p> <p>DNF</p>		<p>S89°35'33"W 2641.51 FT</p> <p>N QUARTER CORNER SEC. 2 LAT. = 32°52'15.297"N LONG. = 103°50'25.199"W</p> <p>LOT 3</p> <p>SURFACE LOCATION</p> <p>WILSON #003 ELEV. = 3998.7 LAT. = 32°51'45.987"N (NAD83) LONG. = 103°50'12.677"W</p> <p>S QUARTER CORNER SEC. 2 LAT. = 32°51'23.096"N LONG. = 103°50'25.138"W</p>		<p>NE CORNER SEC. 2 LAT. = 32°52'15.360"N LONG. = 103°49'54.235"W</p> <p>LOT 2</p> <p>E QUARTER CORNER SEC. 2 LAT. = 32°51'49.265"N LONG. = 103°49'54.219"W</p> <p>SE CORNER SEC. 2 LAT. = 32°51'23.145"N LONG. = 103°49'54.192"W</p>		<p>NO 18°02'W 2637.93 FT</p> <p>NO 19°21'W 2640.40 FT</p> <p>N89°37'25"E 2640.35 FT</p>	
<p>¹⁶ OPERATOR CERTIFICATION</p> <p>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 undivided 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 to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>							
<p>¹⁷ 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>JANUARY 9, 2013</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: GEORGIN F. JARAMILLO, PLS 12707</p> <p>SURVEY NO. 1458</p>							

SECTION 2, TOWNSHIP 17 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO



AERIAL PHOTO: 020 100 200 400
GOOGLE EARTH
MARCH 2012
SCALE 1" = 200'

UNIT J - NW/4 SE/4
SECTION 2, TOWNSHIP 17 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

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

ALAMO PERMIAN RESOURCES, LLC
WILSON #003
LOCATED 2310 FT. FROM THE SOUTH LINE
AND 1575 FT. FROM THE EAST LINE OF
SECTION 2, TOWNSHIP 17 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JANUARY 9, 2013

SURVEY NO. 1488

MADRON SURVEYING, INC. 391 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO