



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

September 20, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Range Operating New Mexico, Inc.
c/o **Range Resources Corporation**
777 Main Street – Suite 800
Fort Worth, Texas 76102

Attention: Bryan Surles
bsurles@rangeresources.com

Administrative Order NSL-5457

Dear Mr. Surles:

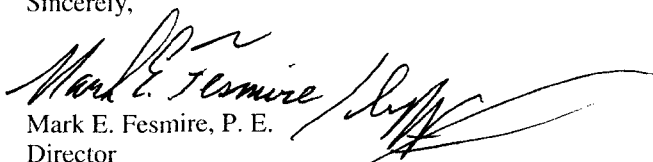
Reference is made to the following: (i) your application (*administrative application reference No. pTDS0-623348486*) submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on August 18, 2006; (ii) the Division's initial response by e-mail on Tuesday afternoon, August 29, 2006, from Mr. Michael E. Stogner, Staff Engineer in Santa Fe, requesting a copy of the attachments from your original filing that were omitted; (iii) Ms. Paula Hale's electronic reply on Wednesday morning, August 30, 2006, with the requested information; (iv) Mr. Stogner's second e-mail on Wednesday morning, August 30, 2006 concerning notice; (v) Ms. Hale's reply in the afternoon with the necessary documentation to complete your application; (vi) Mr. Stogner's and Ms. Hale's e-mail correspondences on Friday afternoon, September 1, 2006; (vii) Mr. Stogner's telephone conversation with Ms. Hale on September 7, 2006; and (viii) the Division's records in Santa Fe and Hobbs: all concerning Range Operating New Mexico, Inc.'s ("Range") request to drill its Brunson Well No. 8 at an unorthodox San Andres oil well location 2200 feet from the South line and 1585 feet from the East line (Unit J) of Section 4, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. The NW/4 SE/4 of Section 4 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit in either the Undesignated Eunice-San Andres Pool (**24150**) or the Undesignated Southwest Eunice-San Andres Pool (**24180**).

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A (2) [formerly Division Rule 1207.A (2), see Division Order No. R-12327-A, issued by the New Mexico Oil Conservation Commission in Case No. 13482 on September 15, 2005].

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox San Andres oil well location is hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,


Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs
Ms. Paula Hale (*PHale@rangeresources.com*) - Fort Worth, TX