

DATE IN 8/18/06	SUSPENSE 9-19-06	ENGINEER MIKE STOGGER	LOGGED IN 8/21/06	TYPE NSL	APP NO. P-TDS062334/8486
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affiliated with
8/30/06

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- 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

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.

Print or Type Name

Signature

Title

Date

e-mail Address



RANGE RESOURCES

August 17, 2006

State of New Mexico
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Attn: Michael Stogner

Re: Brunson #8 Unorthodox Location
Section 4-T22S-R37E
Lea County, NM

2006 AUG 18 AM 11 03

Michael,

Range requests administrative approval of an unorthodox location for the subject well located as follows:

2,200' FSL & 1,585' FEL
Unit J, Section 4-T22S-R37E

This request places the subject well 265' from the east boundary of Unit J (40-acre tract) in lieu of 330' from the unit line as per field rules for the Eunice San Andres SW pool.

Range's Brunson lease covers the W/2 of the SE/4 of Section 4 with common ownership in the 80 acres from the surface to the base of the San Andres. As shown on the attached survey plat, moving the location 65' west would place the location footprint almost centered over the existing road and buried pipeline (BPL). An additional 150' offset to the West would place the location very near an existing road and buried pipeline. Also, moving in this direction would place the well nearer existing San Andres production to the west.

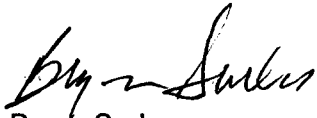
This same plat shows 150' offsets in the other compass directions. Note, that moving north or south would simply parallel the existing buried pipeline and road making a drilling location configuration still very confined. Moving 150' to the east would place the well near a large caliche pit and be even closer to the eastern boundary of Unit J.

Range would appreciate your consideration for this location so that we can maintain our schedule of providing locations for our drilling rig. With minimal alternatives remaining, it was realized that the drilling footprint could be squeezed into the above unorthodox location as surveyed by John West Surveyors & platted as shown on the attached documents.

The subject well will be drilled to a TD of 4,300' to test the P-S-G and San Andres pools.

If you have any further questions or would like to discuss this matter in more detail, please feel free to contact me at my office number below.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryah Surles", written in a cursive style.

Bryah Surles
Area Operations Manager
Range Resources
Ofc # (817) 810-1971
bsulres@rangeresources.com