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March 17, 2009

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 Case 14308

REGEIVED

2009 MAR 17 PM 2 N9

Dear Florene:

Enclosed for filing, on behalf of RSC Resources Limited Partnership, are an original and one copy of an application to allow two operators on a well unit, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the April 16, 2009 Examiner hearing. Thanks.

Very truly yours,

James Bruce

Attorney for RSC Resources Limited Partnership

PARTIES BEING NOTIFIED

Three Span Oil and Gas, Inc. P.O. Box 51538 Midland, Texas 79710

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

2003 MAR 17 PM A 15

APPLICATION OF RSC RESOURCES LIMITED PARTNERSHIP TO ALLOW TWO OPERATORS IN A WELL UNIT, EDDY COUNTY, NEW MEXICO.

Case No. _ / 4368

APPLICATION

RSC Resources Limited Partnership applies for an order approving two operators on an oil well unit, and in support thereof, states:

- 1. Applicant is an interest owner in Lot 3, NE¼SW¼, and N½SE¼ (the N½S½) of Section 30, Township 16 South, Range 28 East, N.M.P.M.
- 2. Applicant desires to drill its proposed horizontal Lucky Wolf "30" Fed. Com. Well No. 2, to a depth sufficient to test the Wolfcamp formation, and seeks to dedicate the N½S½ of Section 30 to the well to form a non-standard 162.74 acre oil spacing and proration unit (project area) in the Wolfcamp formation. This well is the subject of Case No. 14,277, a pooling case previously presented to the Division.
- 3. The NE¼SW¼ of Section 30 is currently dedicated, in the Wolfcamp formation, to the vertical Crow Flats Fed. Com. Well No. 1, operated by Three Span Oil & Gas, Inc. ("Three Span"). Three Span owns no working interest outside the wellbore of the Crow Flats Fed. Com. Well No. 1.
- 4. Applicant notified Three Span of its desire to drill and operate the Lucky Wolf "30" Fed. Com. Well No. 2, as required by Division Rule NMAC 19.15.15.12, but Three Span objected to the drilling of the well by applicant.
- 5. Applicant requests that Three Span's objection be overruled and that applicant be allowed to drill and operate its well.

6. The approval of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order approving the relief requested herein.

Respectfully submitted,

James Bruce

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Santa Fe, New Mexico 87504

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Attorney for RSC Resources Limited Partnership

PROPOSED ADVERTISEMENT

Case No. 14308 :

Application of RSC Resources Limited Partnership to allow two operators on a well unit, Eddy County, New Mexico: Applicant seeks an order allowing it to drill and operate its proposed Lucky Wolf "30" Fed. Com. Well No. 2, a horizontal well in the Wolfcamp formation in Lot 3, NE/4SW/4, and N/2SE/4 (the N/2S/2) of Section 30, Township 16 South, Range 28 East, NMPM. The NE/4SW/4 of Section 30 will be simultaneously dedicated to the proposed well, to be operated by applicant, and to the existing Crow Flats Fed. Com. Well No. 1, a vertical Wolfcamp well, located in the NE/4SW/4 of Section 30, operated by Three Span Oil & Gas, Inc. The well units are located approximately 11-1/2 miles east-northeast of Artesia, New Mexico.

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