

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



August 2, 2013

Vision Energy Group LLC
c/o Permits West, Inc.
Attn: Mr. Brian Wood

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6840
Administrative Application Reference No. pAXK1318937798

Vision Energy Group LLC
OGRID 280962
Hogback Deep 12 Well No. 34
API No. 30-045-35403

Proposed Location:

<u>Footages</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
500 FSL & 1700 FEL	O	12	29N	17W	San Juan

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SE/4 of Section 12	160	Hogback; Penn	32770

Reference is made to your application received on July 8, 2013.

You have requested to drill or re-complete this well at an unorthodox gas well location described above, in the referenced pool or formation. This location is governed by statewide Rule 15.10.C [19.15.15.10.C NMAC], which provides for 160-acre units, with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from a unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location in order to minimize interference with surface uses.

It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with a large initial "J" and "B".

Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Aztec
United States Bureau of Land Management