

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



September 12, 2017

Lime Rock Resources II-A, L.P.
Attn: Mr. Mike Pippin

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL-7582

Lime Rock Resources II-A, L.P.
OGRID 277558
Brainard 12M Well No. 2
API No. 30-015-44412

Proposed Surface Location; Vertical Well:

<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
990' FSL & 1295' FWL	M	12	18S	26E	Eddy

Proposed Units:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SW/4 SW/4 of Section 12 And	40	Atoka; San Andres	3610
SW/4 SW/4 of Section 12	40	Red Lake; Glorieta-Yeso	51120

Reference is made to your application received on September 8, 2017.

A directional survey shall be submitted to the Artesia District office and a copy to the Santa Fe office upon well completion. If the well bottom hole location is no longer in unit M, this order is no longer valid.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formations. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is unorthodox it is too close to the southern boundary of the unit.

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

It is our understanding that the Applicant is seeking this location because the surface owner does not want the operator to place the well's surface location in its alfalfa field.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches and no protests have been received.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

The above approval is subject to your being in compliance with all other applicable Division rules.

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


DAVID R. CATANACH
Director

DRC/lrl

cc: Oil Conservation Division – Artesia District Office