



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

February 15, 2008

Range Resources Corporation
Attn: Ms. Linda Brown
100 Throckmorton #1200
Fort Worth, TX 76102

Administrative Order NSL-5785

Re: New Mexico M State Well No. 52
API No. 30-025-37613
Unit J, Section 18-22S-37E
Lea County

Dear M:

Reference is made to the following:

(a) your application (**administrative application reference No. pKVR08-01850914**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on January 18, 2008, and

(b) the Division's records pertinent to this request.

Range Resources Corporation (Range) has requested to drill the above-referenced well at an unorthodox Tubb and Drinkard oil well location, 1420 feet from the South line and 2310 feet from the East line (Unit J) of Section 18, Township 22 South, Range 37 East, N.M.P.M., in Lea County, New Mexico. The NW/4 SE/4 of Section 18 will be dedicated to this well in order to form a standard 40-acre spacing unit in the undesignated Tubb Oil & Gas Pool (60240) and the Drinkard Pool (19190). Spacing in the Tubb Oil & Gas Pool is governed by the Special Rules and Regulation for the Tubb Oil and Gas Pool, as provided in Order R-8170 issued on March 28, 1986, which provide that standard oil units shall consist of 40 acres, with wells located at least 330 feet from any unit outer boundary or quarter-quarter section line. The Drinkard Pool is governed by statewide Rule 104.B(1), which also provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from the southern unit boundary.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

It is our understanding that you are seeking this location for geologic reasons.

It is also understood that notice of this application to offsetting operators or owners is unnecessary because working interest ownership is identical as between the subject unit and the offsetting unit towards which this location encroaches.

Pursuant to the authority conferred by Division Rule 104.F(2), 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 40.

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 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe