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WRITER:

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November 15, 2017

VIA HAND DELIVERY

Florene Davidson
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Case 15903

Re: Back Nine Properties LLC Application

Dear Florene:

Enclosed please find: (i) for filing, the original and one (1) copy of an application by Back Nine Properties LLC for approval of a 320-acre, non-standard oil spacing and proration unit to be dedicated to the Oakmount #5H well; and (ii) a proposed hearing notice. I will email the proposed hearing notice to you in Word format.

As stated in the application, Back Nine Properties requests that the application be placed on the Division's December 21, 2017 hearing docket.

Thank you for your assistance.

Very truly yours,

Gary W. Larson

GWL:jwl
Enclosures

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

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**APPLICATION OF BACK NINE PROPERTIES
LLC FOR A NON-STANDARD
SPACING AND PRORATION UNIT
AND COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO**

Case No. 15903

APPLICATION

Pursuant to NMSA § 70-2-17, Back Nine Properties LLC ("Back Nine") applies for an order approving a 320-acre, more or less, non-standard spacing and proration unit in the W/2 of Section 32, Township 10 South, Range 28 East, NMPM, Chaves County, New Mexico. In support of its Application, Back Nine states:

1. Back Nine is a working interest owner in the W/2 of Section 32 and has the right to drill a well thereon.
2. Back Nine has obtained voluntary agreements from all of the other mineral interests in the proposed project area to participate in the Oakmount #5H well.
3. Back Nine proposes to dedicate the above-referenced non-standard spacing and proration unit as the project area for the Oakmount #5H well, which will be horizontally drilled from a surface location in Unit C to a bottom hole location in Unit M of Section 32, Township 10 South, Range 28 East.
4. The completed interval for the Oakmount #5H well will remain within the 330-foot standard offset required by 19.15.15.9(A) NMAC.
5. Back Nine has contracted with Hadaway Consulting and Engineering, LLC ("Hadaway") to drill and operate the Oakmount #5H well. Consequently, Back Nine requests that

the Division designate Hadaway (OGRID No. 371985) as the operator of the project area and the Oakmount #5H well.

WHEREFORE, Back Nine requests that this Application be set for hearing on December 21, 2017 and that, after notice and hearing, the Division enter an order:

A. Approving a 320-acre non-standard spacing and proration unit (project area) in the San Andres formation in the W/2 of Section 32, Township 10 South, Range 28 East, in Chaves County; and

B. Designating Hadaway as the operator of the project area and the Oakmount #5H well.

HINKLE SHANOR LLP

A handwritten signature in dark ink, appearing to read "Gary W. Larson", is written over a horizontal line.

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