

**RESOLUTION OF THE LOVINGTON-LEA COUNTY
EXTRATERRITORIAL ZONING AUTHORITY**

At the meeting of the Lovington-Lea County Zoning Authority held on November 27, 2000 the following action was taken:

WHEREAS, David H. Arrington Oil and Gas, Inc., has filed a Petition for variance to drill an Oil and /or gas well within the R-1 Single Family Residential Dwelling Zone and located in the Southeast Quarter of the Northwest Quarter (SE/4 NW/4) Section 31, Township 15 South, Range 36 East N.M.P.M., to be known as the Royal Stimulator #1, and

WHEREAS, Petitioner has complied with legal requirements of Notice to nearby and adjoining landowners; and

WHEREAS, the Lovington-Lea County Extraterritorial Zoning Authority has found said use to be beneficial; and

WHEREAS, enforcing the restrictions of R-1 Single Family Residential Zone, which forbids the drilling of said well at said site, would create unnecessary hardship upon Petitioner; and

WHEREAS, the Lovington-Lea County Extra-territorial Zoning Commission has recommended approval of the Zoning Variance requested subject to certain conditions it has found reasonable and proper for the protection of the nearby and adjoining landowners;

NOW, THEREFORE, BE IT RESOLVED that the Lovington-Lea County Extra-territorial Zoning Authority grants a variance to David H. Arrington Oil and Gas, Inc. to drill, operate and maintain an oil and/or gas well, at the above described location, but only upon the following conditions:

1. The surface Location shall be located 1465 Feet from the North Line and 1935 Feet from the West Line of Section 31, T15S, R36E. N.M.P.M.
2. Petitioner shall comply with the Lovington-Lea County Zoning Ordinances number 3 and number 5.
3. Ingress and egress to and from the site shall be worked out with the surface owner..
4. A Security fence adequate to satisfy requirements of Ordinance #3 shall be installed around the production Pad.
5. Tank batteries shall be out of sight.
6. Product pickup shall occur only during daylight hours