

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



December 6, 2013

ConocoPhillips Company
Attn: Ms. Susan Maunder

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6978
Administrative Application Reference No. pPRG1333949274

ConocoPhillips Company
OGRID 217817
Ruby Federal Well No. 13
API No. 30-025-41009

Proposed Location:

| | <u>Footages</u> | <u>Unit</u> | <u>Section</u> | <u>Township</u> | <u>Range</u> | <u>County</u> |
|-------------|---------------------|-------------|----------------|-----------------|--------------|---------------|
| Surface | 1650 FSL & 2235 FEL | J | 17 | 17S | 32E | Lea |
| Bottom Hole | 1648 FSL & 1601 FEL | J | 17 | 17S | 32E | Lea |

Proposed Unit:

| <u>Description</u> | <u>Acres</u> | <u>Pool</u> | <u>Pool Code</u> |
|-------------------------|--------------|----------------------|------------------|
| NW/4 SE/4 of Section 17 | 40 | Maljamar; Yeso, West | 44500 |

Reference is made to your application received on December 5, 2013.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 15.9.A [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 less than 330 feet from a unit outer 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].

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It is our understanding that you are seeking this location to recover additional oil and gas reserves.

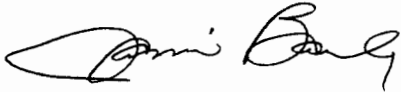
It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

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 the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey
Director

JB/mam

cc: New Mexico Oil Conservation Division – Hobbs
Bureau of Land Management-Carlsbad