

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



February 27, 2015

ConocoPhillips Company
Attn: Ms. Patsy Clugston

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7232
Administrative Application Reference No. pMAM1502340749

ConocoPhillips Company
OGRID 217817
San Juan 28-5 Unit Well No. 72P
API No. 30-039-31241

Proposed Location:

<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
564' FSL & 2378' FWL	3	35	28N	5W	Rio Arriba

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S/2 of Section 35	361.36	Blanco-Mesaverde (Prorated gas)	72319
Lot 3 and 4, N/2 SW/4, S/2 NW/4, NE/4 NW/4 of Section 35, and Lot 1 of Section 34	345.82	Basin Dakota (Prorated gas)	71599

Reference is made to your application received on January 23, 2015.

You have requested to drill this well at an unorthodox gas well location described above in the referenced pool or formation. This location is governed by special pool rules for the Basin Dakota Gas Pool and the Blanco-Mesaverde Gas Pool which provides for 320-acre units with wells located at least 660 feet from a unit or lot outer boundary. This location is less than 660 feet from a unit outer boundary.

It is our understanding that you are seeking this unorthodox location due to surface topography, and cultural sensitive areas.

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 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.

Hearing Order R-2948 approved on August 16, 1965, approved the Non-Standard Proration Unit for the Basin Dakota.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, 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 19.15.5.9 NMAC.

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

DONE at Santa Fe, New Mexico, on February 27, 2015



DAVID R. CATANACH
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Aztec
Bureau of Land Management – Farmington