



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

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Cabinet Secretary-Designate

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Deputy Cabinet Secretary

Daniel Sanchez
Acting Division Director
Oil Conservation Division



February 8, 2011

Purvis Operating Co.
Attn: Donnie E. Brown
3101 N. Pecos Street
Midland, TX 79705

Administrative Order NSL-6111-A

**Re: Purvis Operating Company
Antelope Well No. 1
API No. 30-025-38867
1077 FNL and 893 FEL
Unit A, Section 7-15S-35E
Lea County, New Mexico**

Dear Mr. Bruce:

This order supersedes Order NSL-6111 in its entirety.

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW11-02855706**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of Purvis Operating Company [OGRID 131559] (Purvis) on January 28, 2011, and

(b) the Division's records pertinent to this request, including the Division's records pertinent to Order No. NSL-6111.

Purvis has requested to drill the above-referenced well at an unorthodox oil well location, described above in the caption of this letter. The NE/4 NE/4 of Section 7 will be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit in the undesignated North Morton-Permo Upper Penn Pool (47350), or the undesignated South Morton-Upper Pennsylvanian Pool (97300), and and the N/2 or E/2 of the NE/4 to form a standard 80-acre oil spacing and proration unit in the

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1220 South St. Francis Drive • Santa Fe, New Mexico 87505
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Morton-Wolfcamp Pool (47370). Both the North Morton-Permo Upper Penn Pool and the South Morton-Upper Pennsylvanian Pool are governed by statewide Rule 15.9.A, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. The Morton Wolfcamp Pool is governed by the Special Rules and Regulations for the Morton-Lower Wolfcamp Pool, which provide for 80-acre units with wells to be located within 150 feet of the center of a quarter-quarter section

This location is less than 330 feet from the southern boundary of the NE/4 NE/4 of Section 7, and accordingly is unorthodox in all of the referenced pools.

Your application on behalf of Purvis has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

It is our understanding that you are seeking this location in order to utilize an existing wellbore.

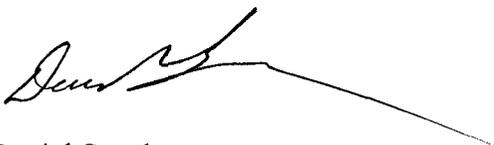
It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

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.

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 'Daniel Sanchez', with a long horizontal line extending to the right from the end of the signature.

Daniel Sanchez
Acting Director

DS/db

cc: New Mexico Oil Conservation Division - Hobbs