



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

May 29, 2003

Rubicon Oil & Gas, LLC
c/o Ramey Petroleum Consultants, Inc.
303 West Wall – Suite 1005
Midland, Texas 79701-5112
Attention: Darol K. Ramey

Telefax No. (915) 685-4062

Administrative Order NSL-4887

Dear Mr. Ramey:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on May 28, 2003 (*application reference No. pMES0-314934242*); and (ii) the Division's records in Santa Fe and Hobbs: all concerning Rubicon Oil & Gas, LLC's ("Rubicon") request for an unorthodox Abo oil well location within a proposed 40-acre standard oil spacing and proration unit comprising the SW/4 SW/4 (Unit M) of Section 34, Township 9 South, Range 30 East, NMPM, Chaves County, New Mexico.

This unit is to be dedicated to the plugged and abandoned Federal "34" Well No. 1 (API No. 30-005-21091), located 988 feet from the South line and 995 feet from the West line of Section 34.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

From the Division's records, Jack J. Grynberg of Denver, Colorado originally drilled this well in November/December 1989 to a total depth of 7,496 feet to test the Undesignated Oasis Abo-Gas Pool (81820) within the SW/4 of Section 34, being a standard 160-acre gas spacing unit for this pool, at a reported standard gas well location 990 feet from the South and West lines (Unit M) of Section 34. According to the Division's records, the Abo zone tested dry and the well was plugged and abandoned in January, 1990.

It is our understanding that Rubicon now intends to reenter this well and attempt a completion in the Abo formation.

It is further understood that all of Section 34 comprises a single Federal lease (U.S. Government lease No. NM-94083) in which Rubicon is the leasehold operator and all mineral interest is common; therefore, there are no adversely effected offsets to the subject 40-acre tract.

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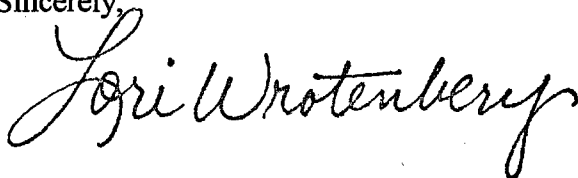
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By the authority granted me under the provisions of Division Rule 104.F (2), if this well is completed as an Abo oil well the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in cursive script that reads "Lori Wrotenbery". The signature is written in black ink and is positioned below the word "Sincerely,".

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Roswell