

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



November 14, 2013

Conoco Phillips Company
Attn: Ms. Susan B. Maunder

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6883
Administrative Application Reference No. pPRG1330357495

Conoco Phillips Company
OGRID 217817
Ruby Federal Well No. 30
API No. 30-025

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1450 FNL & 330 FWL	E	17	17S	32E	Lea
Terminus	1671 FNL & 328 FWL	E	17	17S	32E	Lea

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SW/4 NW/4 of Section 17	40	West Maljamar; Yeso	44500

Reference is made to your application received on October 29, 2013.

You have requested to drill this directional well to an unorthodox bottom hole 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 unorthodox the bottom hole location is less than 330 feet from an outer boundary of the spacing unit.

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].

It is our understanding that you are seeking this location for geologic reasons and to comply with United States Bureau of Land Management surface siting requirements.

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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/db

cc: New Mexico Oil Conservation Division – Hobbs
United States Bureau of Land Management