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



January 6, 2014

ConocoPhillips Company Attn: Ms. Susan Maunder

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6989 Administrative Application Reference No. pMAM1335045588

ConocoPhillips Company OGRID 217817 Ruby Federal Well No. 59 API No. 30-025-41020

Proposed Location:									
	Footages	Unit	Sectio	n Township	Range	<u>County</u>			
Surface	330 FSL & 1850 FWL	Ν	18	175	32E	Lea			
Bottom Hole	298 FNL & 1593 FWL	Ν	18	17 S	32E	Lea			

Proposed Unit:							
Description	Acres	Pool	Pool Code				
SE/4 SW/4 of Section 18	40	Maljamar;Yeso, West	44500				

Reference is made to your application received on December 11, 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, based on preliminary directional survey.

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].

January 6, 2014 Page 2

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

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 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

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,

Sal

Jami Bailey Director

JB/mam

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