New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



December 22, 2011

ConocoPhillips Company Attn: Brian D. Maiorino

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6527 Administrative Application Reference No. pTWG11-34649896

ConocoPhillips Company OGRID 217817 Ruby Federal Well No. 1 API No. 30-025-

| Proposed Location: | | | | | |
|-------------------------------|-------|---------|----------------|---------------|---------------|
| Footages | Unit | Section | n <u> </u> | ip Range | County |
| 420 FSL & 1580 FEL | 0 | 17 | 17S | | Lea |
| Proposed Unit: Description | Acres | , | Pool | | Pool Code |
| SW/4 SE/4 of Section 17 | 40 | · · | West Maljamar; | Glorieta-Veso | 44500 |
| | 40 | | west warjaman, | 01011cta-1030 | 44,000 |

Reference is made to your application received on December 12, 2011.

You have requested to drill or re-complete 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 boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

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

> It is also understood that notice 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 [19.15.5.9 NMAC].

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

Sincerely,

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Jami Bailey Director

JB/db

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