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