



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

August 29, 2005

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

ConocoPhillips Company
P. O. Box 2197, WL3-6106
Houston, Texas 77252-2197

Attention: Yolanda Perez
Senior Regulatory Analyst
Yolanda.Perez@conocophillips.com

Administrative Order NSL-5262

Dear Ms. Perez:

Reference is made to the following: (i) ConocoPhillips Company's ("COPC") three initial applications (*administrative application reference Nos. pSEM0-522141631, pSEM0-522141842, and pSEM0-522141996*) filed with the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico by Ms. Deborah Marberry on August 8, 2005; (ii) the Division's response from Mr. Michael E. Stogner, Engineer, by letter dated August 18, 2005 withdrawing all three applications as unnecessary and returning same to COPC; (iii) your voice mail message left for Mr. Stogner early Thursday afternoon, August 25, 2005; (iv) Mr. Stogner's e-mail sent at 2:57 p.m. MDST on August 25, 2005 notifying you that the Division was reinstating COPC's three previous applications; (v) yours and Ms. Marberry's later e-mail responses to Mr. Stogner; (vi) Ms. Marberry's e-mail to Mr. Stogner on Friday, August 26, 2005 with revisions to COPC's request; and (vii) the Division's records in Hobbs and Santa Fe including the files on Division Cases No. 10845 and 10846: all concerning COPC's plans for additional primary development of the Vacuum-Glorieta Pool (**62160**) within the Vacuum Glorieta East Unit Area (see Division Order No. R-10017, issued in Case No. 19845 on November 16, 1993) with three infill wells to be drilled at unorthodox locations.

COPC's request now consolidated into a single filing and assigned Division Administrative Application Reference No. **pMES0-524139638**, has been duly filed under the provisions of Division Rules 104.F and 1207.A (2).

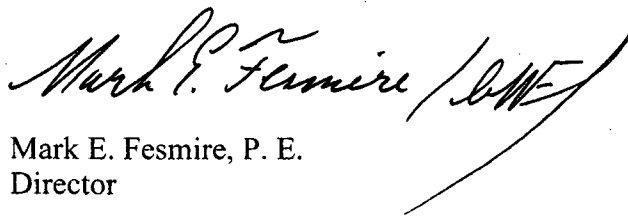
It is the Division's understanding that the three proposed locations will enable COPC to further develop and deplete the reserves within this unitized area and will allow for the implementation of a more efficient and effective production/injection pattern once secondary recovery operations are initiated.

By the authority granted me under the provisions of Division Rule 104 F (2) COPC is hereby authorized to drill the following three wells at an unorthodox infill oil well locations in the Vacuum-Glorieta Pool within its Vacuum Glorieta East Unit in Township 17 South, Range 35 East, NMPM, Lea County, New Mexico:

<i>Well Name and No.</i>	<i>Section</i>	<i>Footage Location</i>	<i>Unit</i>	<i>Dedicated 40-Acre Tract</i>
<i>Vacuum Glorieta East Unit Well No. 14</i>	<i>33</i>	<i>308' FNL – 990' FWL</i>	<i>D</i>	<i>NW/4 NW/4</i>
<i>Vacuum Glorieta East Unit Well No. 15</i>	<i>29</i>	<i>457' FSL & 1174' FWL</i>	<i>P</i>	<i>SE/4 SE/4</i>
<i>Vacuum Glorieta East Unit Well No. 16</i>	<i>29</i>	<i>1131' FSL & 330' FEL</i>	<i>P</i>	<i>SE/4 SE/4</i>

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

Sincerely,



Mark E. Fesmire, P. E.
Director

MEF/mes

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office – Santa Fe
Mr. Sam Huisman, Geologist – ConocoPhillips Company, Houston
Ms. Deborah Marberry, Regulatory Analyst – ConocoPhillips Company, Houston