

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

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Cabinet Secretary

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Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



August 26, 2015

ConocoPhillips Company
OGRID 217817
Attn: Ms. Ashley Bergen

ADMINISTRATIVE NON-STANDARD PRORATION UNIT

Administrative Order NSP-2041
Administrative Application Reference No. pMAM1523354307

ConocoPhillips Company
OGRID 217817
Battle Axe 27 Federal Com. Well No. 1 H
API No. 30-025-pending

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	250' FNL & 245' FEL	A	27	26S	32E	Lea
Penetration Point	330' FNL & 380' FEL	A	27	26S	32E	Lea
Final perforation	330' FSL & 380' FEL	1	34	26S	32E	Lea
Terminus	50' FSL & 380' FEL	1	34	26S	32E	Lea

Battle Axe 27 Federal Com. Well No. 2 H
API No. 30-025- pending

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	283' FNL & 245' FEL	A	27	26S	32E	Lea
Penetration Point	330' FNL & 710' FEL	A	27	26S	32E	Lea
Final perforation	330' FSL & 710' FEL	1	34	26S	32E	Lea
Terminus	50' FSL & 710' FEL	1	34	26S	32E	Lea

Reference is made to your application received on August 21, 2015.

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Lot 1 of Section 34 NE/4 NE/4 of Section 34, and E/2 E/2 of Section 27	224.93	WC-025 G-08 S263205N; Upper Wolfcamp	98065

Units Comprising this Project Area

<u>Unit</u>	<u>Acres</u>	<u>Pool</u>	<u>Code</u>
Lot 1 of Section 34	24.93	WC-025 G-08 S263205N; Upper Wolfcamp	98065
NE/4 NE/4 of Section 34	40	WC-025 G-08 S263205N; Upper Wolfcamp	98065
E/2 E/2 of Section 27	160	WC-025 G-08 S263205N; Upper Wolfcamp	98065

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(3) NMAC.

Statewide Rule 19.15.15.9.A NMAC provides for 40-acre units, which consists of the entire project area except Lot 1 of Section 34. Lot 1 of Section 34 is comprised of 24.93-acres. According to Division Rule 19.15.15.11.B(1) NMAC, an administrative approval is required for a non-standard spacing unit that is less than 70 percent of a standard spacing unit, in this case 24.93-acres.

It is also understood that since no acreage is being excluded in the project area, no interest owner is affected; therefore, notification is not required.

Subsequent wells in this approved non-standard project area shall be note on the Form C-102 the order number that approved this non-standard proration unit.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described non-standard proration unit is hereby approved.

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

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

DONE at Santa Fe, New Mexico, on August 26, 2015

A handwritten signature in black ink, reading "David R. Catanach". The signature is written in a cursive style with a horizontal line underneath it.

DAVID R. CATANACH
Director

DRC/mam

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