

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



March 8, 2016

ConocoPhillips Company
Attn: Ms. Ashley Bergen

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7391

ConocoPhillips Company
OGRID 217817
Golden Spur 36 Com. W1 Well No. 1H
API No. 30-015-43374

Proposed Location:

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	282' FSL & 570' FEL	1	36	26S	31E	Eddy
Penetration Point	524' FSL & 714' FEL	1	36	26S	31E	Eddy
Final perforation	200' FNL & 837' FEL	A	25	26S	31E	Eddy
Terminus	59' FNL & 850' FEL	A	25	26S	31E	Eddy

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Lot 1 of Section 36, NE/4 NE/4 Section 36, and E/2 E/2 of Section 25	225.32	WC-015 G-08 S263125P; Wolfcamp	98012

Reference is made to your application received on February 26, 2016.

You have requested to drill this well at a non-standard oil spacing and proration unit described above in the referenced pool or formation. This proration unit is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This location is unorthodox because a portion of the project area less than 330 feet from the unit boundary.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location to maximize the recovery of oil and gas reserves within the project area.

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 19.15.4.12 (A) 2 NMAC, in all adjoining units towards which the proposed location encroaches for affected parties in New Mexico. However, the affected party had signed a waiver, relinquishing their right for objection.

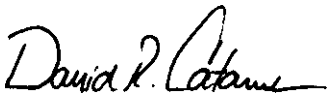
This Order was done in conjunction with Division Order NSP-2037, issued on August 13, 2015.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, 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 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 March 8, 2016



DAVID R. CATANACH
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Artesia
United States Bureau of Land Management – Carlsbad
Administrative Order – NSP-2037