

Proposed Horizontal Rules Revisions

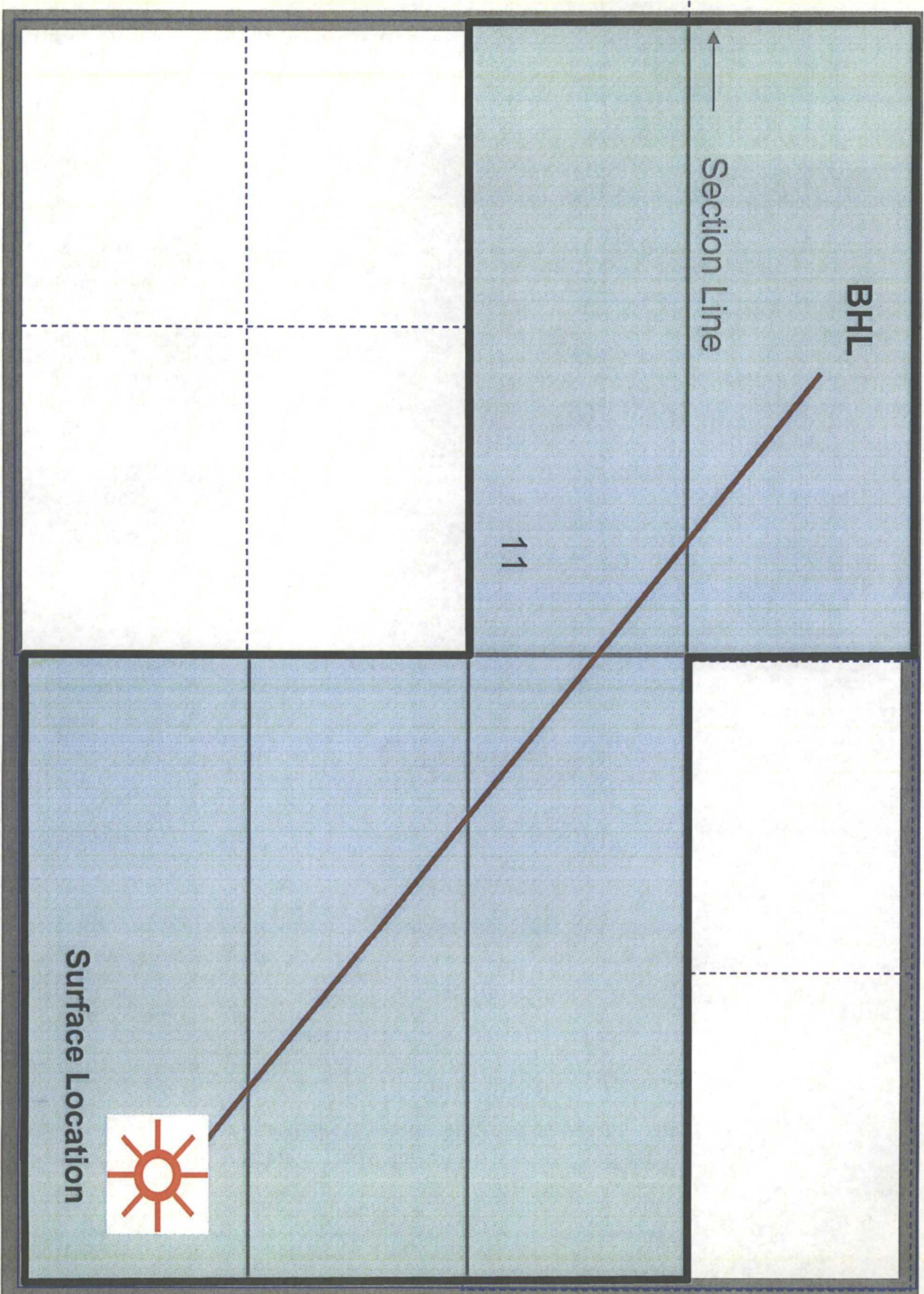
NMOCD OIL CONSERVATION COMMISSION HEARING

October 20, 2011

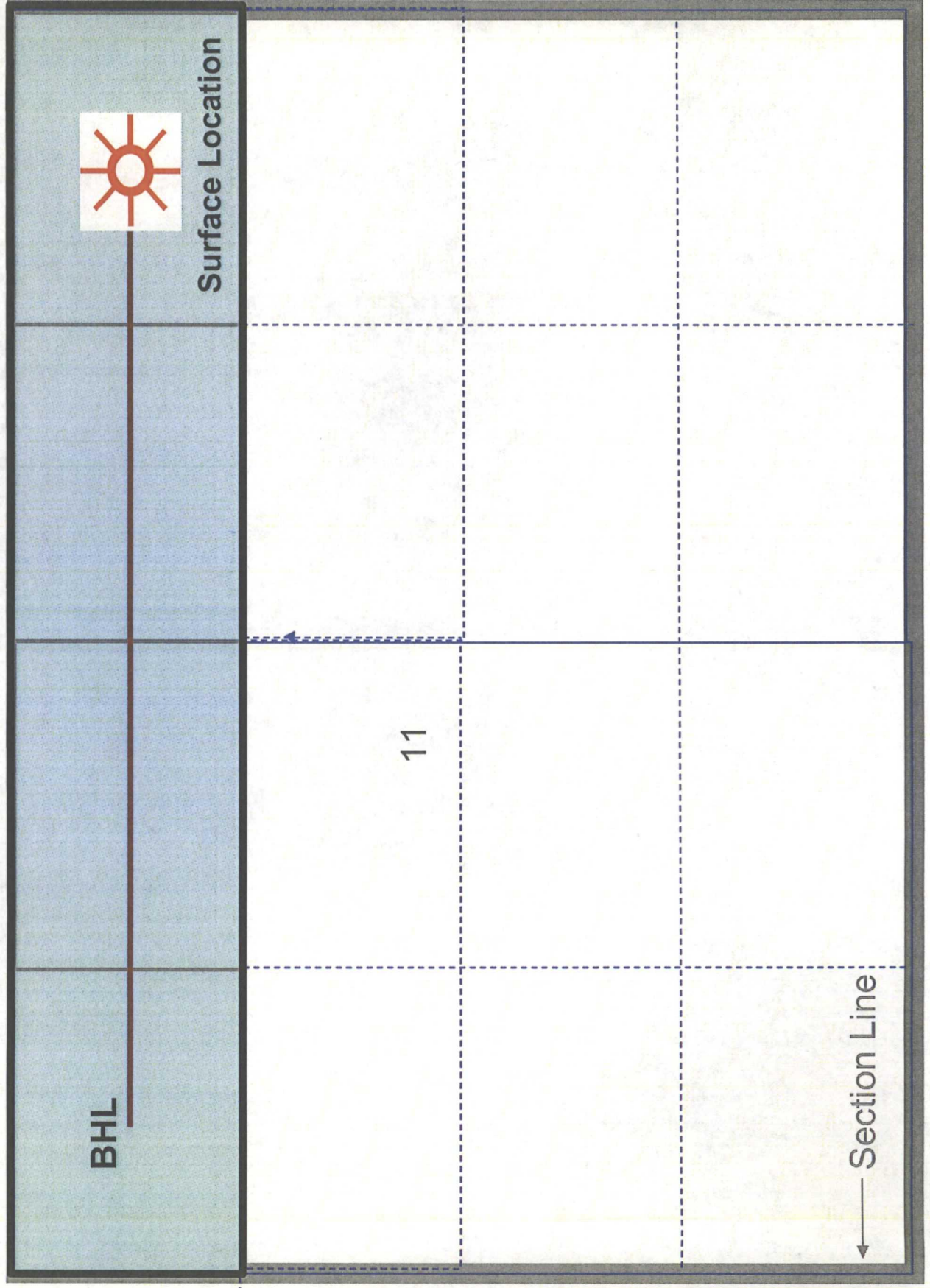
**Charles Creekmore, RPL
Staff Landman
ConocoPhillips Company
SJBW, Farmington NM**

BEFORE THE OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
Case No. 14744 Exhibit No. 3
Submitted by:
NEW MEXICO OIL & GAS ASSOCIATION
Hearing Date: October 20, 2011

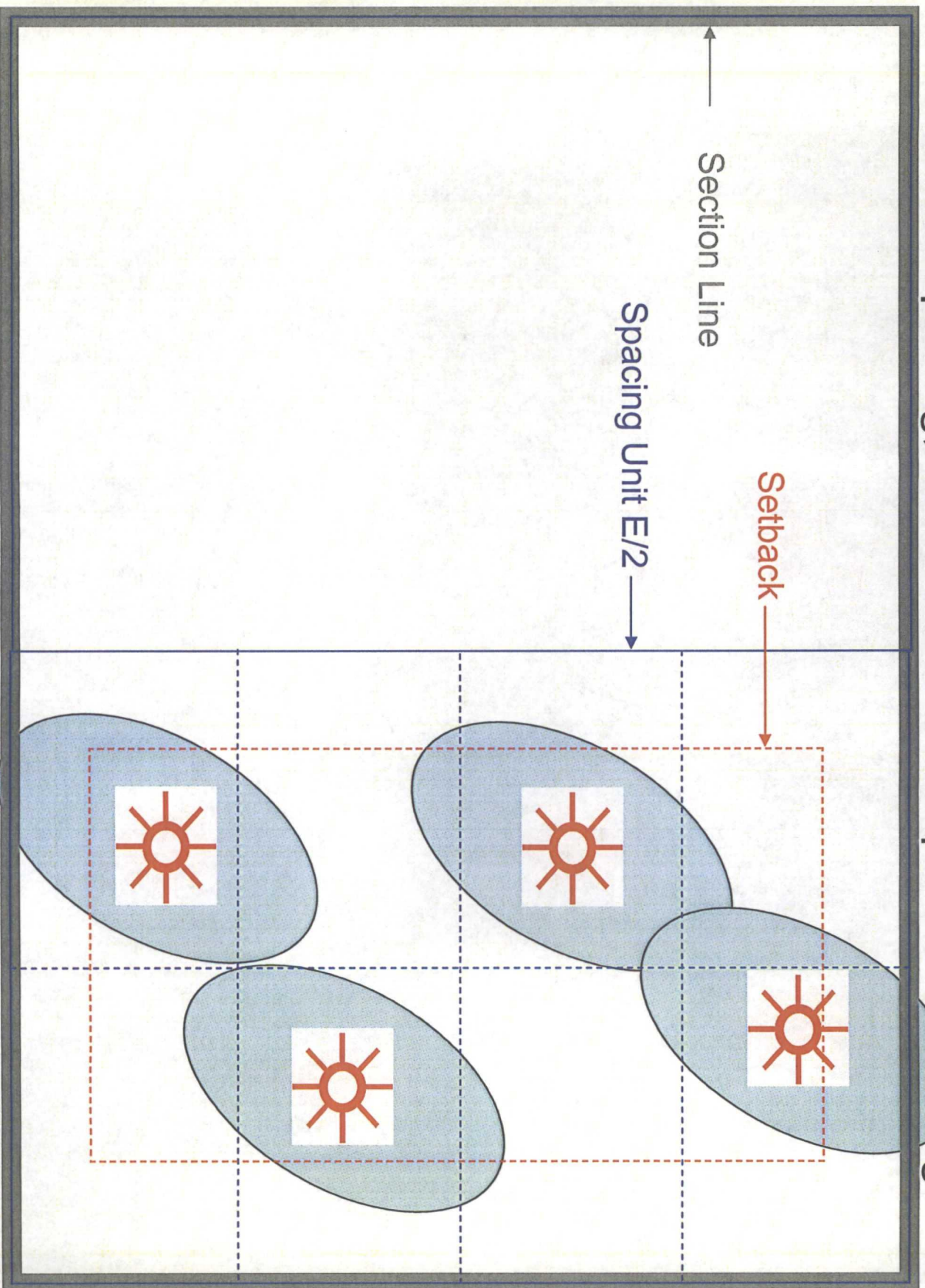
80AC Lay Down Vertical Well Spacing



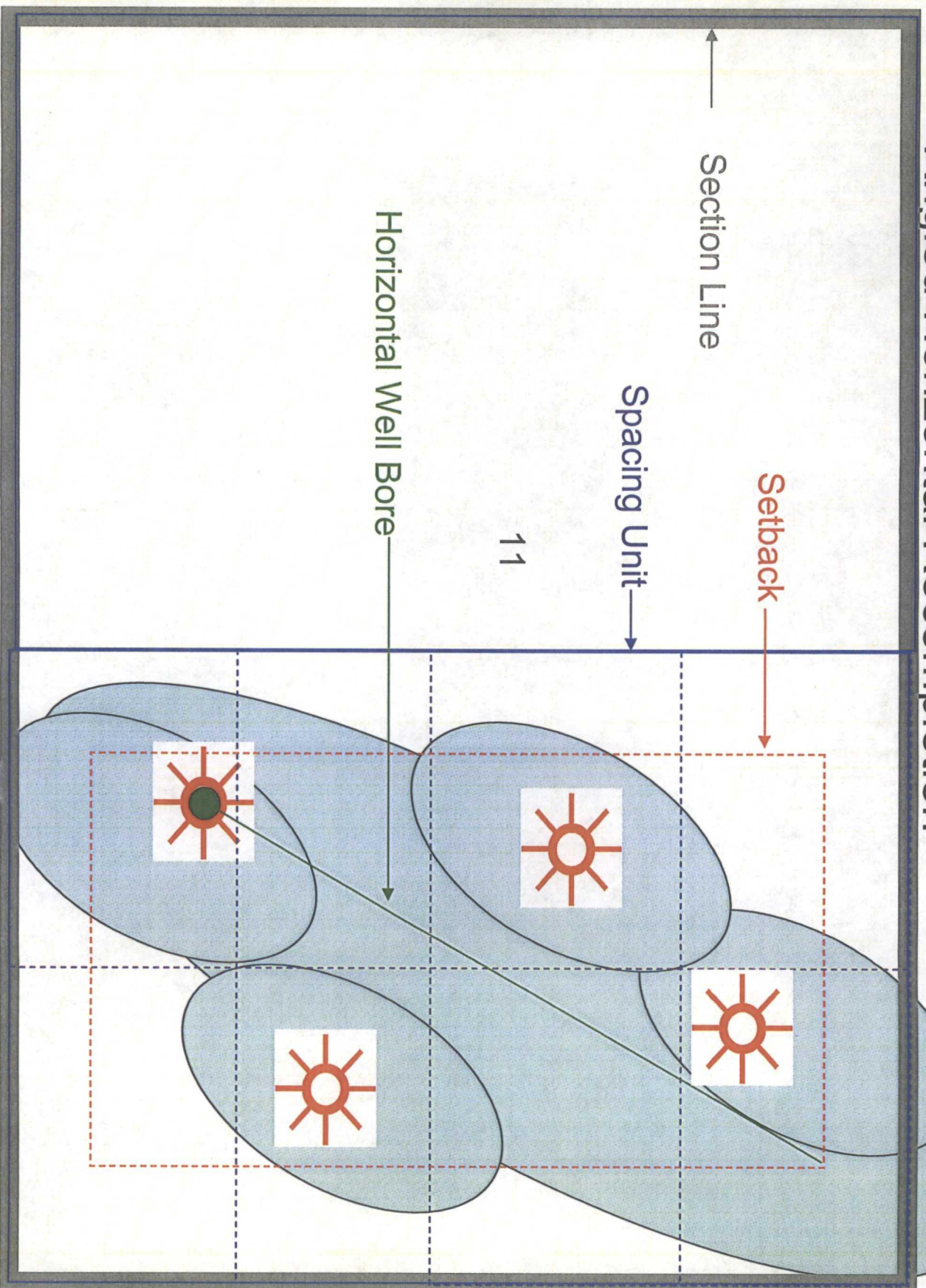
40AC Vertical Well Spacing



320 AC Spacing, Full 80AC Development – Drainage

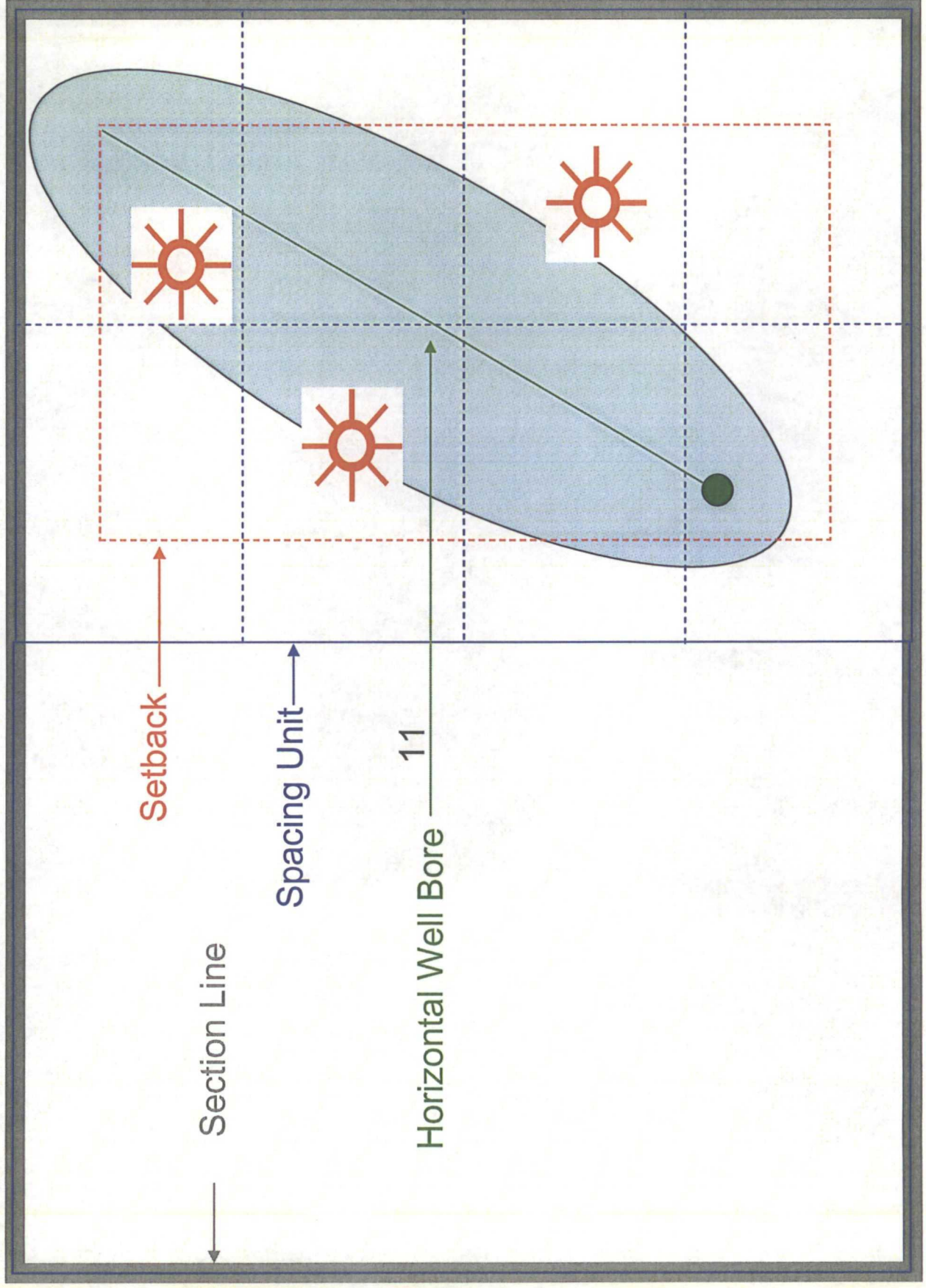


320AC Spacing, 80AC Development – Angled Horizontal Recompletion

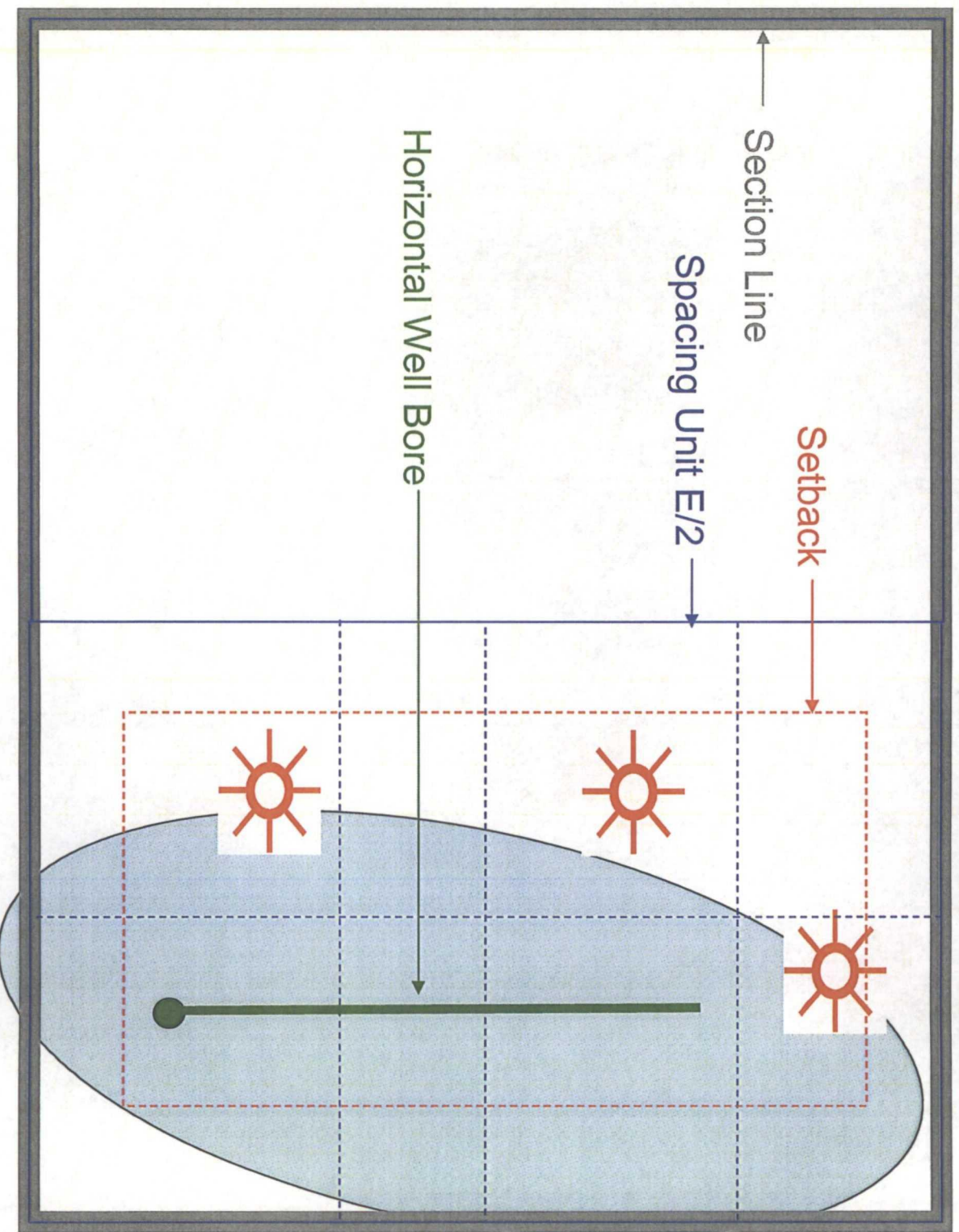


320 AC Spacing 80AC Development –Angled Horizontal

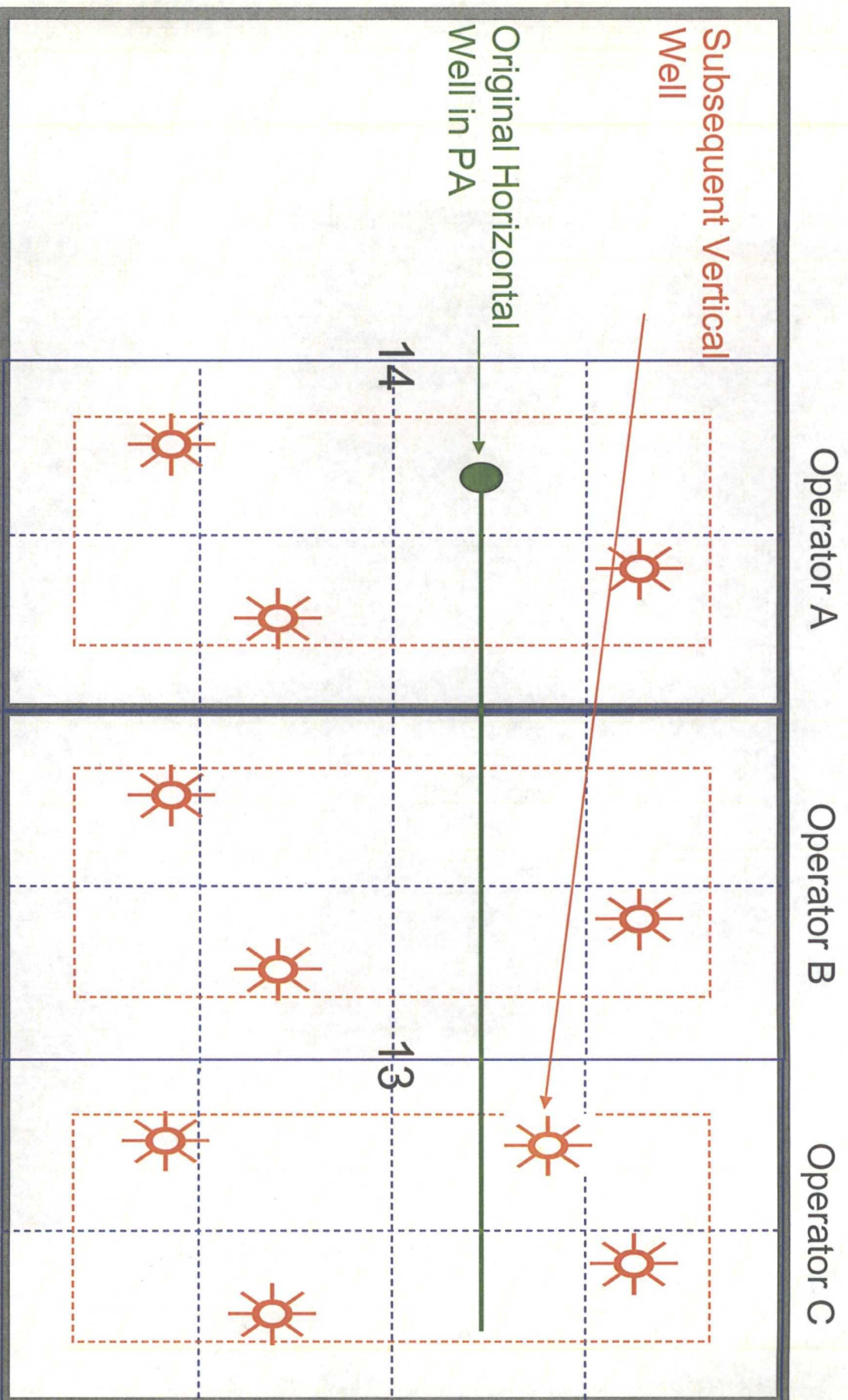
Well



320AC Spacing 80AC Development – New Horizontal Well Offset From Setback



Project Area (PA) – three 320 AC Spacing Units



Subsequent horizontal or vertical wells in a PA should be controlled by JOA or Pool Rules