

6/12/2014 05-05-2014		McMANN PGR	06/12/2014 06/06/2014	NSL DHC	PEH1416232758 PEH1415737491
DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Susan B. Maunder

Print or Type Name

Susan B. Maunder
 Signature

Sr. Regulatory Specialist

Title

6/3/14
 Date

Susan.B.Maunder@conocophillips.com

e-mail Address

NSL 6974-A
 DHC
 CONOCO Phillips Company
 217 817
 Ruby Federal
 30-025-41008
 POOLS
 Maljamar Grayburg, Santa Fe
 Maljamar iyeso West

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-41008	² Pool Code 43329	³ Pool Name Maljamar; Grayburg, San Andres
⁴ Property Code	⁵ Property Name Ruby Federal	⁶ Well Number 12
⁷ OGRID No. 217817	⁸ Operator Name ConocoPhillips Company	⁹ Elevation 3952'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	18	17S	32E		1330	South	1705	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	18	17S	32E		867	South	1614	West	

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-6979, DHC-Pending
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ <p>Lease Boundary</p> <p>Lease Boundary</p> <p>1705'</p> <p>1614'</p> <p>SHL</p> <p>BHL</p> <p>1330'</p> <p>867'</p> <p>Top of Grayburg, San Andres</p> <p>1086' FSL and 1656' FWL</p> <p>Lease Boundary</p>	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <u>Susan B. Maunder</u> 5/30/14 Signature Date Susan B. Maunder Printed Name Susan.B.Maunder@conocophillips.com E-mail Address
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey Signature and Seal of Professional Surveyor:
	Certificate Number

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-41008	² Pool Code 44500	³ Pool Name Maljamar; Yeso West
⁴ Property Code 38653	⁵ Property Name Ruby Federal	⁶ Well Number 12
⁷ OGRID No. 217817	⁸ Operator Name ConocoPhillips Company	⁹ Elevation 3952'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	18	17S	32E		1330	South	1705	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	18	17S	32E		867	South	1614	West	

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-6979, DHC-Pending
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature <u>Susan B. Maunder</u> Date <u>5/30/14</u> Printed Name Susan B. Maunder E-mail Address Susan.B.Maunder@conocophillips.com
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor:
	Certificate Number



Susan B. Maunder
Sr. Regulatory Specialist
Phone: (281) 206-5281

ConocoPhillips Company
600 N. Dairy Ashford Rd, Office P10-3096
Houston, TX 77079-1175

June 10, 2014

State of New Mexico
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

SUBJECT: REQUEST FOR NON-STANDARD LOCATION FOR RUBY FEDERAL #12 –
API 30-025-41008

Dear Sirs,

ConocoPhillips Company respectfully requests a non-standard location exception to produce the Ruby Federal #12 well from the Maljamar, Grayburg, San Andres Pool. The lease is recorded as NM LC029405B. The well is located in UL K, 1330' from the south line and 1705' from the west line of Section 18, Township 17S, Range 32E, Lea County, New Mexico. The top of Grayburg is located in UL N, 1258' from south lease line and 1690' from west line of Section 18, Township 17S, Range 32E. The bottom of San Andres is 1038' from south line and 1650.5' from west line. The footages place the well near the 330' from a Qtr/Qtr Section line. The table below details ownership of adjacent spacing units in Section 18. ConocoPhillips is 100% lessee and 100% working interest owner of the Ruby federal lease.

Spacing Unit	Adjacent Units	# of Wells	Operator(s)
UL K	UL F, G, J, N, O; Sec. 18, 17S, 32E	12	ConocoPhillips Company
UL K	UL E, L, M	3	Cimarex Energy Co. of Colorado
UL N	UL J, K, L, O; Sec. 18, 17S, 32E	8	ConocoPhillips Company
UL N	UL M	1	Cimarex Energy Co. of Colorado

Enclosed are the following documents in support of this request.

- Administrative Application Checklist
- Copy of the New Mexico Form C-102

A copy of this submittal is being sent to Bureau of Land Management, Carlsbad Field Office and Cimarex Energy Co. of Colorado via certified return receipt.

This well initially was moved to this location to protect Sand Dunes Lizard habitat. The granting of this exception will prevent waste and minimize surface disturbance.

If you have questions regarding this request, I can be reached at 281-206-5281 or via email at Susan.B.Maunder@conocophillips.com.

Sincerely,

Susan B. Maunder
Senior Regulatory Specialist
ConocoPhillips Company

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martínez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



January 6, 2014

ConocoPhillips Company
Attn: Ms. Susan Maunder

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6979
Administrative Application Reference No. pPRG1333949116

ConocoPhillips Company
OGRID 217817
Ruby Federal Well No. 12
API No. 30-025-41008

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
Surface	1330 FSL & 1705 FWL	K	18	17S	32E	Lea
Bottom Hole	867 FSL & 1614 FWL	N	18	17S	32E	Lea

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SE/4 SW/4 of Section 18	40	Maljamar, Yeso, West	44500

Reference is made to your application received on December 5, 2013.

You have requested to drill 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 outer boundary. Even though the surface location is unit K, the entire perforated interval is located in unit N of section 18. Refer to ProDirectional survey completion report that lists the perforated interval depth and location.

January 6, 2014
Page 2

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location to recover additional oil and gas reserves.

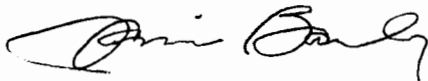
It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

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 [19.15.15.9 NMAC].

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey".

Jami Bailey
Director

JB/mam

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

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

BLM
 Carlsbad Field office
 620 E. Greene St
 Carlsbad, NM
 88220

2. Article Number

(Transfer from service label)

7013 3020 0000 4635 4660

PS Form 3811, July 2013 2.12.20.24 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*

☐ Agent

☒ Addressee

B. Received by (Printed Name)

Cory Hernandez

C. Date of Delivery

6/6/14

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☐ Certified Mail®

☐ Priority Mail Express™

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee)

☐ Yes

All Ruby State Filings

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLDED AT DOTTED LINE

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Cimarex Energy Co. of CO
600 N. Maricfield St., #600
Midland, TX
79701

2. Article Number

(Transfer from service label)

7013 1710 0002 1292 7911

PS Form 3811, February 2004

Domestic Return Receipt

NSL - RF 12

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Sadil Garcia*

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Sadil Garcia

C. Date of Delivery

6-19-14

D. Is delivery address different from Item 1?

- ☐ Yes

If YES, enter delivery address below:

- ☐ No

3. Service Type

- ☒ Certified Mail ☐ Express Mail
☒ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

- ☐ Yes