

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



April 10, 2012

ConocoPhillips Company
Attn: Ms. Patsy Clugston

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6590
Administrative Application Reference No. pTWG12-07942717

ConocoPhillips Company
OGRID 217817
San Juan 31-6 Unit Well No. 27F
API No. 30-039-30246

Proposed Location:

<u>Footages</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
1940 FSL & 2175 FWL	K	28	31N	6W	Rio Arriba

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 28	320	Basin Mancos Gas	97232

Reference is made to your application received on March 16, 2012.

You have requested to drill or re-complete this well at an unorthodox gas well location described above, in the referenced pool or formation. This location is governed by the Special Rules for the Basin Mancos Gas Pool, which provide for 320-acre units, with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from a unit boundary.

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 in order to comply with United States Bureau of Land Management surface siting requirements.

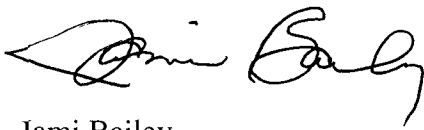
It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

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". The signature is stylized with a large, sweeping initial "J" and a cursive "Bailey".

Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Aztec
United States Bureau of Land Management