State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey
Division Director
Oil Conservation Division



June 21, 2012

OXY USA WTP Limited Partnership Attn: Ms. Jennifer Duarte

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6646 Administrative Application Reference No. pTGW12-14356684

OXY USA WTP Limited Partnership OGRID 192463 Piglet 21 State Well No. 4 API No. 30-015-39499

Proposed Location:

Footages	Unit	Section	Township	Range	County
873 FSL & 1164 FWL	M	21	17S	28E	Eddy

Proposed Unit:

Description	Acres	Pool	Pool Code
SW/4 SW/4 of Section 21	40	undesignated Artesia; Glorieta; Yeso	96830

Reference is made to your application received on May 22, 2012.

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.

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 for geologic reasons.

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.

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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,

Jami Bailey Director

JB/db

cc: New Mexico Oil Conservation Division – Artesia

New Mexico State Land Office