

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION


APPLICATION OF CONOCOPHILLIPS COMPANY FOR EXCEPTIONS TO OIL
CONSERVATION DIVISION RULES 19.15.16.9 NMAC CONCERNING THE
SEALING OF STRATA AND 19.15.16.10(A) NMAC CONCERNING CASING AND
TUBING REQUIREMENTS IN THE RECOMPLETION OF HORIZONTAL WELLS
IN THE VACUUM GLORIETA EAST UNIT, LEA COUNTY, NEW MEXICO.

CASE NO. 14562

AFFIDAVIT

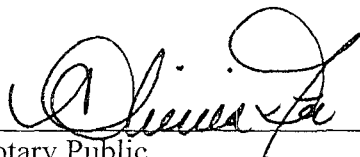
STATE OF NEW MEXICO)
)ss.
COUNTY OF SANTA FE)

William F. Carr, attorney in fact and authorized representative of ConocoPhillips
Company, the Applicant herein, states that notice of the above-referenced Application
was mailed to the interested parties shown on Exhibit "A" attached hereto in
accordance with Oil Conservation Division Rules, and that true and correct copies
of the notice letter and proof of notice are attached hereto.



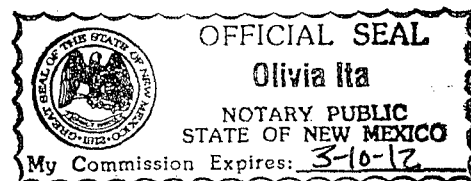
William F. Carr

SUBSCRIBED AND SWORN to before me this 27th day of October 2010 by
William F. Carr.



Notary Public

My Commission Expires: 3-10-12



Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

was published in a regular and entire issue of **THE LOVINGTON LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of October 5, 2010 and ending with the issue of October 5, 2010.

And that the cost of publishing said notice is the sum of \$32.82 which sum has been (Paid) as Court Costs.

Joyce Clemens
Subscribed and sworn to before me this 11th day of October 2010

Gina Fort

Gina Fort

Notary Public, Lea County, New Mexico

My Commission Expires June 30, 2014

LEGAL NOTICE
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on October 28, 2010, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by October 18, 2010. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary of other type of accessible form is needed.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following cases:
and notice to the public.

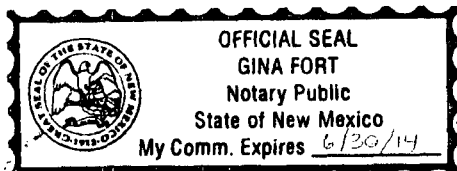
(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE 14562:

Application of ConocoPhillips Company for exceptions to Oil Conservation Division rules 19.15.16.9 NMAC concerning the sealing of strata and 19.15.16.10(A) NMAC concerning casing and tubing requirements in the recompletion of horizontal wells the Vacuum Glorieta East Unit, Lea County, New Mexico. Applicant seeks an order granting an exception to the provisions of Division rules 19.15.16.9 NMAC concerning the sealing of strata and 19.15.16.10(A) NMAC concerning casing and tubing requirements in the recompletion of horizontal wells to enable it to recomplete wells in the Unit with open hole horizontal well bores. The Vacuum Glorieta East Unit, encompasses portions of Sections 26 through 34 of Township 17 South, Range 35 East and portions of Section 5 of Township 18 South, Range 35 East, N.M.P.M. Said unit is located approximately 10 miles southeast of Lovington, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Division at Santa Fe, New Mexico on this 30th day of September 2010.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
Mark E. Fesmire, P.E., Director
Published in the Lovington Leader October 5, 2010.



HOLLAND & HART



William F. Carr
wcarr@hollandhart.com

October 7, 2010

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL AFFECTED INTEREST OWNERS

Re: Application of ConocoPhillips Company for exceptions to Oil Conservation Division rules 19.15.16.9 NMAC concerning the sealing of strata and 19.15.16.10(A) NMAC concerning casing and tubing requirements in the recompletion of horizontal wells in the Vacuum Glorieta East Unit, Lea County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that ConocoPhillips Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order granting an exception to the provisions of Division rules 19.15.16.9 NMAC concerning the sealing of strata and 19.15.16.10(A) NMAC concerning casing and tubing requirements in the recompletion of horizontal wells to enable it to recomplate wells in this unit with open hole horizontal well bores. The Vacuum Glorieta East Unit, encompasses portions of Sections 26 through 34 of Township 17 South, Range 35 East and portions of Section 5 of Township 18 South, Range 35 East, N.M.P.M.

This application has been set for hearing before a Division Examiner at 8:15 AM on October 28, 2010. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

William F. Carr
Attorney for ConocoPhillips Company

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☎

EXHIBIT A

BP America
Attn: Debra Bacon
501 Westlake Park Blvd
Houston, TX 77079

Chesapeake Energy Corporation
P.O. Box 18496
Oklahoma City, OK 73154-0496

Chevron U.S.A., Inc
15 Smith Road
Midland, TX 79705

OXY U.S.A. Inc.
P.O. Box 50250
Midland, TX 79710

ExxonMobil
5959 Las Colinas Boulevard
Irving, TX 75039-2298

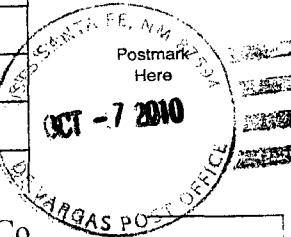
Shell Oil Co.
P.O. Box 2463
Houston, TX 77252

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 Return Receipt Fee (Endorsement Required) 2.30
 Restricted Delivery Fee (Endorsement Required)
 Total Postage & Fees \$ 5.54



BP America Production Co.
 Attn: Debra Bacon
 501 Westlake park Blvd
 Houston, TX 77079

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- 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:

Chesapeake Energy Corporation
 P.O. Box 18496
 Oklahoma City, OK 73154-0496

2. Article Number

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee
 B. Received by (Printed Name) RECEIVED Date of Delivery OCT 09 2009

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

MAILROOM 18

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

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1. Article Addressed to:

Chevron U.S.A., Inc.
 15 Smith Road
 Midland, TX 79705

2. Article Number
 (Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee
 B. Received by (Printed Name) H. H. H. H. C. Date of Delivery 10/13/09

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

7006 0100 0005 0626 0801

7006 0100 0005 0626 0818

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For delivery information visit our web

Postage \$ 44

Certified Fee 2.80

Return Receipt Fee (Endorsement Required) 2.30

Restricted Delivery Fee (Endorsement Required)

Total Postage & Fees \$ 5.54

OXY USA Inc.
 P.O. Box 50250
 Midland, TX 79710

SENDER: COMPLETE THIS SECTION

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

OXY USA Inc.
 P.O. Box 50250
 Midland, TX 79710

COMPLETE THIS SECTION ON DELIVERY

A. Signature [Signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name) LAY MONROE

C. Date of Delivery 10-12-10

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

2. Article Number (Transfer from service label) 7006 0100 0005 0626 0818

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

7006 0100 0005 0626 0825

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Postage \$ 44

Certified Fee 2.80

Return Receipt Fee (Endorsement Required) 2.30

Restricted Delivery Fee (Endorsement Required)

Total Postage & Fees \$ 5.54

ExxonMobil
 5959 Las Colinas Boulevard
 Irving, TX 75039-2298

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:

ExxonMobil
 5959 Las Colinas Boulevard
 Irving, TX 75039-2298

COMPLETE THIS SECTION ON DELIVERY

A. Signature [Signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

2. Article Number (Transfer from service label) 7006 0100 0005 0626 0825

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

7006 0100 0005 0626 0832

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Certified Fee 2.80

Return Receipt Fee (Endorsement Required) 2.30

Restricted Delivery Fee (Endorsement Required)

Shell Oil Co.
 P.O. Box 2463
 Houston, TX 77252

SENDER: COMPLETE THIS SECTION

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- 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:

Shell Oil Co.
 P.O. Box 2463
 Houston, TX 77252

COMPLETE THIS SECTION ON DELIVERY

A. Signature [Signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name) BENNETT SMALL

C. Date of Delivery 10-11-10

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

2. Article Number (Transfer from service label) 7006 0100 0005 0626 0832

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540