

## State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT Santa Fe, New Mexico 87505

## AMENDED ADMINISTRATIVE ORDER DHC-1107

Conoco, Inc. 10 Desta Drive, Suite 100W Midland, Texas 79705-4500

Attention: Jerry W. Hoover

PECESVED

MAY 1 6 1995

OM. COM. DOM.

Federal Well No.11 Unit B, Section 23, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Basin Dakota (Prorated Gas) and Blanco Mesaverde (Prorated Gas) Pools

Dear Mr. Hoover:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 30 barrels per day, and total water production shall not exceed 60 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

In accordance with the provisions of Rule 303-C, the supervisio of the Aztec District Office shall determine the proper allocation of production from the subjet well following its completion.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

**VILLAGRA BUILDING - 408 Galisteo** 

Forestry and Resources Conservation Division P.O. Box 1948 87504-1948 827-5830 Park and Recreation Division P.O. Box 1147 87504-1147 827-7465 2040 South Pacheco

Office of the Secretary 827-5950 Administrative Services 827-5925

Energy Conservation & Management 827-5900

> Mining and Minerals 827-5970 Oil Conservation 827-7131

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 15th day of May, 1995.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMAY

Director

SEAL

WJL/BES

cc: Oil Conservation Division - Aztec

Bureau of Land Management - Farmington