



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

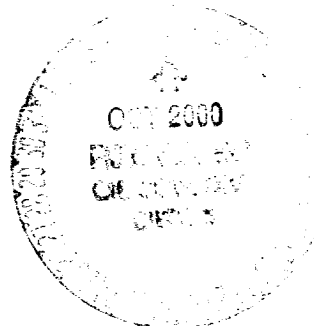
GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenberg
Director
Oil Conservation Division

AMENDED ADMINISTRATIVE ORDER DHC-1223

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702-0552

Attention: Mr. Jerry Fletcher



*Jicarilla Apache No. 16
API No. 30-039-20529
Unit I, Section 34, Township 26 North, Range 5 West, NMPM,
Rio Arriba County, New Mexico.
Blanco-Mesaverde (Prorated Gas - 72319),
Basin-Dakota (Prorated Gas - 71599) and
Otero-Chacra (Gas - 82329) Pools*

Dear Mr. Fletcher:

Reference is made to your recent application for an amendment to Division Order No. DHC-1223 dated April 12, 1996, which order authorized the downhole commingling of Blanco-Mesaverde and Basin-Dakota Gas Pool production within the well, to add the Otero-Chacra Gas Pool as a third commingled zone in the wellbore.

It appearing that the subject well qualifies for approval for such amendment 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 zones is hereby placed in abeyance.

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.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

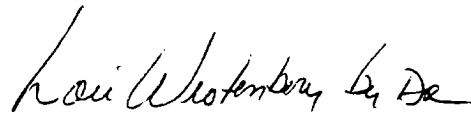
Basin-Dakota Gas Pool	Oil-N/A	Gas-23%
Blanco-Mesaverde Gas Pool	Oil-N/A	Gas-34%
Otero-Chacra Gas Pool	Oil-N/A	Gas-43%

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

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 4th day of October, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Aztec /
Bureau of Land Management-Farmington