OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

ADMINISTRATIVE ORDER DHC-1950

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

Attention: Ms. Kay Maddox

NEGEIVE Notes

OIL CON. DIV.

Omler "A" No. 4E API No. - 30-045-24111 Unit O, Section 25, Township 28 North, Range 10 West, NMPM, San Juan County, New Mexico. Otero-Chacra (Gas - 82329) and Basin-Dakota (Prorated Gas - 71599) Pools

Dear Ms. Maddox:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject 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 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:

| Otero-Chacra Gas Pool | Oil-1% | Gas-42% |
|-----------------------|---------|---------|
| Basin-Dakota Gas Pool | Oil-99% | Gas-58% |
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