NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

ADMINISTRATIVE ORDER DHC-1305

Amoco Production Company P.O. Box 800 Denver, Colorado 80201-0800

Attention: Ms. Pamela Staley

DECEIVED AUG - 1 1996

OH CON. DIV.

Hamner Well No.2A
Unit C, Section 28, Township 29 North, Range 9 West, NMPM,
San Juan County, New Mexico.
Blanco Mesaverde (Gas - 72319) and

Basin Dakota (Prorated Gas - 71599) Pools

Dear Ms. Staley:

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 multiple 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 subject 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:

Blanco Mesaverde Pool	Oil 23%	Gas 70%
Basin Dakota Pool	Oil 77%	Gas 30%

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

Pursuant to Rule 303.H., the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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 25th day of July, 1996.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

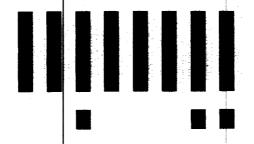
Director

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WJL/BES

cc: Oil Conservation Division - Aztec

Bureau of Land Management - Farmington



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Job separation sheet

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

AMENDED ADMINISTRATIVE ORDER DHC-1305

Amoco Production Company P.O. Box 800 Denver, Colorado 80201-0800

Attention: Ms. Pamela Staley

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OIL CON. DIV.

Hamner Well No.2A

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San Juan County, New Mexico.

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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 Froration Schedule.

Production from the subject well shall be allocated as follows:

Once stabilized production rates have been established, gas production from the Basin Dakota Pool shall be determined utilizing the morthly production forecast submitted by the applicant as an attachment to the downhole commingling application. Gas production from the Blanco Mesaverde Pool shall be determined by subtracting Basin Dakota Pool production from the well's total monthly gas production.

Condensate production shall be allocated to each respective zone in the same percentage basis as the Dakota/Mesaverde gas production split for that month.

The allocation method established herein may be altered at some time subsequent to initiating downhole commingling operations upon request by the operator and for good cause shown.

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

Pursuant to Rule 303.H., 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 28th day of October, 1996.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. ZEMAY

Director

SEAL

WJL/BES

cc: Oil Conservation Division - Azec Bureau of Land Management - Farmington