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

ADMINISTRATIVE ORDER DHC-1455

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

Attention: Mr. Jerry W. Hoover

DECEIVED MAR 2 0 1997

OIL COM. DIV.

Suter No. 4A
API No. 30-045-21731
Unit E, Section 15, Township 32 North, Range 11 West, NMPM,
San Juan County, New Mexico.
Blanco-Mesaverde (Prorated Gas - 72319) and
Blanco-Pictured Cliffs (Gas - 72359) 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 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:

Blanco-Mesaverde Gas Pool	Oil 86%	Gas 49%
Blanco-Pictured Cliffs Gas Pool	Oil 14%	Gas 51%

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REMARKS—The operior shall notify the Azrec District—Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303 H. the commingling authority granted is rein may be rescinded by the Division Director if, in his opinion, conservation is not being by server by such commingling.

Approved at Santa Fe. New Mexico on this 12th day of March. 997.

STATE OF FEW MEXICO OIL CONSEEVATION DIVISION

WILLIAM - LEMA I

Director

SEAL

WHIDEC

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

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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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 12th day of March, 1997.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMAY

Director

SEAL

WJL/DRC

cc:

Oil Conservation Division - Aztec

Bureau of Land Management-Farmington