



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3150

Mewbourne Oil Company
P.O. Box 7698
Tyler, Texas 75711

Attention: Ms. Janet Burns

*Rocky "16" State Well No. 1
API No. 30-025-36165
Unit M, Section 16, Township 16 South, Range 35 East, NMPM,
Lea County, New Mexico
Wildcat-Mississippian (Gas-N/A), and
Undesignated Shoe Bar-Atoka (Gas -85210) Pools*

Dear Ms. Burns:

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 well bore.

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 that may be produced daily from the well shall be determined by the applicable Division rules and regulations.

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

| | | |
|--------------------------------------|---------|---------|
| Wildcat-Mississippian Gas Pool | Oil-25% | Gas-37% |
| Undesignated Shoe Bar-Atoka Gas Pool | Oil-75% | Gas-63% |

In the event that the actual production from the well subsequent to completion varies from the estimated production, the applicant shall submit a revised production allocation to the Division based upon actual production data. The Division shall then amend this order as necessary to reflect the more accurate production allocation.

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 9th day of May 2003.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in dark ink, appearing to read "Lori Wrotenbery, D.D.", is written over the printed name.

LORI WROTENBERY
Division Director

LW/DRC

cc: Oil Conservation Division – Hobbs
State Land Office-Oil & Gas Division