



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

October 22, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Administrative Order No. DHC-673

Lynx Petroleum
P.O. Box 2265
Santa Fe, NM 87504-2265

Attention: Karen Aubrey

Re: Nancy Well No. 1,
Unit N, Section 24, Township 21 South,
Range 37 East, NMPM, Lea County New Mexico.
Blinebry Oil and Gas, Tubb and Wantz Abo Pools

Gentlemen:

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 the production from all three 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.

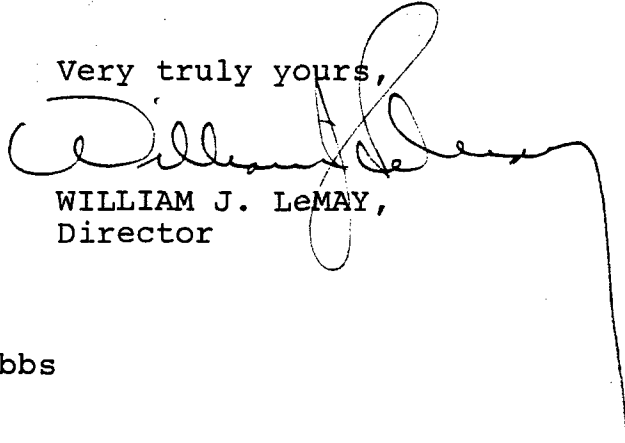
In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by the top unit allowable for the Tubb Oil and Gas Pool.

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

Blinebry Pool:	Oil 27%, Gas 50%
Tubb Pool:	Oil 18%, Gas 0%
Abo Pool:	Oil 55%, Gas 50%

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'William J. LeMay', with a long, sweeping horizontal line extending to the right.

WILLIAM J. LeMAY,
Director

cc: Gas Co. of N.M.
OCD District Office - Hobbs