State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



Administrative Order DHC-4635 Order Date: September 20, 2013 Application Reference Number: pPRG1321962274

Burlington Resources Oil & Gas Company LP P. O. Box 4289 Farmington, NM 87499

Attention: Denise Journey

Jicarilla 153 Well No. 7 API No: 30-039-08093 Unit E, Section 36, Township 26 North, Range 5 West, NMPM Rio Arriba County, New Mexico Pool BLANCO-PICTURED CLIFFS, SOUTH Gas 72439 Names: LINDRITH GALLUP-DAKOTA, WEST Oil 39189

Reference is made to your recent application for an exception to 19.15.12.9A. NMAC 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 19.15.12.11A. NMAC, 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 or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

The production allocation percentages of oil and gas between these pools shall be supplied to the Division's Santa Fe office within 60 days following completion of this well or workover.

This approval is conditional upon approval by the United States Bureau of Land Management prior to commencement of commingling.

Administrative Order DHC-4635 Burlington Resources Oil & Gas September 20, 2013 Page 2 of 2

REMARKS: The operator shall notify the Division's district III office upon implementation of commingling operations.

Pursuant to 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

JAM BAILEY

Director

JB/prg

cc: New Mexico Oil Conservation Division – Aztec District Bureau of Land Management – Farmington Office