

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
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Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



Administrative Order DHC-1784-B

Order Date: April 8, 2014

Application Reference Number: pMAM1408333240

Chevron Midcontinent, L.P.
332 Road 3100
Aztec, NM 87410

Attention: Michael Feldewert

Rincon Unit Well No. 166E
API No. 30-039-25483
Unit F, Section 32, Township 27 North, Range 6 West, NMPM
Rio Arriba County, New Mexico

Pool	BLANCO MESAVERDE	Prorated	Gas	(72319)
Names:	BASIN DAKOTA	Prorated	Gas	(71599)
	BASIN MANCOS		Gas	(97323)
	BLANCO PICTURED CLIFFS SOUTH	Prorated	Gas	(72439)

Reference is made to your recent application for an exception to Division Rule 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 appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since 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 Division Rule 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.

As per the application, the assignment of allowable and allocation of production from the well shall be based on the subtraction method. The total production of the well minus the established production for the Basin Dakota, Blanco Pictured Cliffs South, and Blanco Mesaverde, which are commingled, shall be assigned to the Basin Mancos 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.

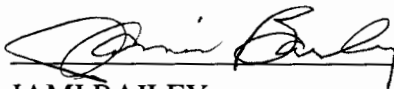
It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

REMARKS: The operator shall notify the Aztec District office prior to implementation of the commingling operations.

This order supersedes Administrative Order DHC-1784-A, approved March 23, 2009.

This Order is subject to like approval from the United States Bureau of Land Management, and New Mexico State Land Office.

Pursuant to Division Rule 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.



JAMI BAILEY
Director

JB/mam

cc: New Mexico Oil Conservation Division – Aztec
Bureau of Land Management - Farmington
New Mexico State Land Office – Oil, Gas and Minerals