



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

July 16, 1991

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

Administrative Order DHC-806
810

Fasken Oil and Ranch Interests
303 West Wall Avenue
Suite 1900
Midland, Texas 79701-5116

ATTENTION: Jimmy Davis Jr.

WELL NAME AND NUMBER: Feil Federal Well No. 1

LOCATION: Unit D, Section 28, T-20 South, R-25 East, NMPM,
Eddy County, New Mexico

POOLS: Cemetery Morrow and North Cemetery Atoka 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 both 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 are required separation of the two 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 70 barrels per day, and total water production shall not exceed 140 barrels per day. 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 Southeast Gas Proration Schedule.

Fasken Oil and Ranch Interests

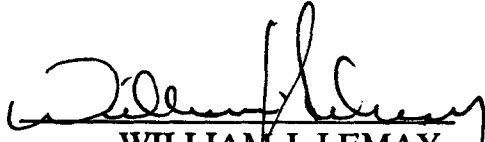
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Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Morrow Pool:	Oil	<u>35%</u>	Gas	<u>35%</u>
Atoka Pool:	Oil	<u>65%</u>	Gas	<u>65%</u>

Pursuant to Rule 303-C-5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.


WILLIAM J. LEMAY
Director

cc: Oil Conservation Division - Artesia
Bureau of Land Management - Carlsbad