

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



Administrative Order DHC-4899
Order Date: December 12, 2018

CONOCOPHILLIPS COMPANY
PO Box 2197
Houston, Texas 77252

Attention: Rhonda Rogers

Hardy 36 State Well No. 28
API No. 30-025-36624
Unit H, Section 36, Township 20 South, Range 37 East NMPM
Lea County, New Mexico

Pool	SKAGGS; GRAYBURG	Oil (57380)
Names:	HARDY; SAN ANDRES, NORTH	Oil (96393)

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 19.15.12.11 A (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 oil production from the subject well shall be based on the actual production from the two pools subject to this order.

Assignment of allowable and allocation of production from the well shall be as follows:

SKAGGS; GRAYBURG POOL	Pct. Oil: 71	Pct. Gas: 71
HARDY; SAN ANDRES, NORTH	Pct. Oil: 29	Pct. Gas: 29

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12A.(6), is not required since the interest ownership between the zones to be commingled is common throughout.

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

Pursuant to Division Rule 19.15.12.11 B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.


HEATHER RILEY
Director

HR/mam

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals
Well File - 30-025-36624