

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary

Pool:

Mark E. Fesmire, P.E. Director **Oil Conservation Division**

Administrative Order DHC-3928 Application Reference Number: pTDS0721339255

CONOCOPHILLIPS COMPANY 3401 E. 30TH STREET, FARMINGTON, NM 87402

Attention: Rhonda Rogers, Regulatory Tech.

SAN JUAN 32 7 UNIT Well No. 024N API No: 30-045-34367 Unit K, Section 21, Township 32 North, Range 7 West, NMPM San Juan County, New Mexico BASIN DAKOTA (PRORATED GAS) Gas 71599 BLANCO-MESAVERDE (PRORATED GAS) Gas 72319 Names: Undesignated LOS PINOS;FRT SND PC,SOUTH (G) Gas 80690

Reference is made to your recent application for an exception to Rule 303.A. 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 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 or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be done after testing of all intervals to be commingled. The applicant shall submit the allocation percentages to the Division within 60 days following completion of this workover.

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

> Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505 Phone: (505) 476-3440 * Fax (505) 476-3462 * http://www.emnrd.state.nm.us

Administrative Order DHC-3928 CONOCOPHILLIPS COMPANY 8/7/2007 Page 2 of 2

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Order approved at Santa Fe, New Mexico on 8/7/2007.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E. Director

cc: Oil Conservation Division – Aztec