

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

Administrative Order DHC-3980 Application Reference Number: pKVR0734454096 Corrected 12/18/07

MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211

Attention: BRIAN COLLINS

DIME STATE Well No. 001 API No: 30-015-33659

Unit J, Section 30, Township 18 South, Range 28 East, NMPM

Eddy County, New Mexico

Pool:

WILDCAT; ATOKA (GAS)

Gas

Names:

WILDCAT; CANYON (GAS)

Gas

WILDCAT;STRAWN (GAS)

Gas

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 as follows.

WILDCAT;ATOKA (GAS) Pool	Pct Gas: 52	Pct Oil: 52
WILDCAT;CANYON (GAS) Pool	Pct Gas: 20	Pct Oil: 20
WILDCAT;STRAWN (GAS) Pool	Pct Gas: 28	Pct Oil: 28

These percentages shall be amended only with written permission of the Division.

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

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 12/11/2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.

Director

cc: Oil Conservation Division - Artesia

State Land Office - Oil, Gas, and Minerals Division

Jones, William V., EMNRD

From: Brian Collins [engineering@marbob.com]

Sent: Wednesday, December 19, 2007 10:21 AM

To: Jones, William V., EMNRD

Subject: Dime State 1 DHC-3980

Will:

I noticed that the approved DHC order for the captioned well showed Wildcat; Morrow (gas) instead of Wildcat; Canyon (gas). The application was made for the Atoka, Strawn and Canyon. The order was issued for the Morrow, Atoka and Strawn. The Morrow was abandoned. Do we need a corrected order or can this change be done without issuing a new order? Thanks.

I hope you have a Merry Christmas. Take care.

Brian Collins Marbob Energy

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