

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order DHC-4022
May 21, 2008

PLANTATION OPERATING, LLC
4700 W. Sam Houston Parkway N.
Suite 140
Houston, TX 77041

Attention: Kimberly Faldyn

Cypress Well No. 1
API No: 30-015-35855
Unit B, Section 8, Township 23 South, Range 27 East, NMPM,
Eddy County, New Mexico

Pool:	South Carlsbad; Atoka Gas	Gas 73800
Names:	South Carlsbad; Morrow Gas	Gas 73960

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.

It is our understanding that ownership interests are identical between these two producing pools. The operator shall submit final allocation percentages to the Division after testing of all pools to be completed and no later than 90 days after completion.

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Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.


MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Artesia