

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3119

Amerada Hess Corporation P.O. Box 840 Seminole, Texas 79360

Attention: Mr. Roy L. Wheeler, Jr.

M. J. Raley "A" Well No. 1 API No. 30-025-07781 Unit A, Section 18, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico Undesignated West Nadine Paddock-Blinebry (Oil-47400), and East Skaggs-Abo (Oil-56630) Pools

Dear Mr. Wheeler:

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 well bore.

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 and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.(1), each of the commingled oil pools shall be allowed to produce up to the top oil allowable and top casing head gas allowable applicable for that pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis unless modified with permission of the Hobbs District Office and copied to this office:

Und. West Nadine-Paddock-Blinebry Pool	Oil-97%	Gas-69%
East Skaggs-Abo Pool	Oil-3%	Gas-31%

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 11th day of March, 2003.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

fori Wrotenbery
LORI WROTENBERY
Division Director

LW/DRC

cc: Oil Conservation Division - Hobbs