



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

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Deputy Cabinet Secretary

Mark Fesmire
Division Director

Oil Conservation Division



October 6, 2010

Administrative Order DHC-4323

Application Reference Number: pTGW1026735328

Ms. Angela Lightner
R.K. Ford & Associates
415 W. Wall; Suite 1700
Midland, TX 79701

**Re: Trilogy Operating, Inc.
Ginger MC Well No.2
API No. 30-025-36638**

**Pools: Blinebry Oil & Gas (Oil)
East Warren Tubb
D-K Abo**

**Pool Code 6660
Pool Code 87085
Pool Code 15200**

Dear Ms Lightner:

Reference is made to your application, on behalf of **Trilogy Operating, Inc.** [OGRID 21602] (Trilogy), for an exception to Division Rule 12.9.A to permit down hole commingling of production from the subject pools within the above-described wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11.A., 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.

In accordance with Division Rule 12.11.A(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

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

Pool: Blinebry Oil & Gas (Oil)	Pct Gas: To be supplied	Pct Oil: To be supplied
Pool: East Warren Tubb	Pct Gas: To be supplied	Pct Oil: To be supplied

Oil Conservation Division

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Pool: D-K Abo	Pct Gas: To be supplied	Pct Oil: To be supplied
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It is our understanding that allocation percentages will be determined from well tests being conducted while isolating the respective zones. The production allocation percentages of oil and gas between these pools shall be reported to the Division's Santa Fe office within 60 days following completion of the workover.

It is also understood that ownership of all interest in the pools from which production is being commingled is identical.

The operator shall notify the Division's Hobbs district office upon implementation of commingling operations.

Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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.
Acting Director

MEF/db

cc: Oil Conservation Division – Hobbs