## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



Administrative Order DHC-4686 Order Date: July 11, 2014 Application Reference Number: pEH1417158341

Four Star Oil and Gas Company 332 Road 3100 Aztec, NM 87410

Attention: April Pohl

Blanco Well No. 1A API No. 30-045-30204 Unit O, Section 1, Township 27 North, Range 9 West, NMPM San Juan County, New Mexico

Pool	BLANCO MESAVERDE (PRORATED GAS)	Gas	(72319)
Names:	BASIN FRUITLAND COAL	Gas	(71629)
	OTERO CHACRA	Gas	(82329)

Reference is made to your recent application for an exception to Division Rule 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since 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 Rule 19.15.12.11A. (6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the subject well shall be based on the analysis of the historical production from the Blanco Mesaverde and Otero Chacra formations. Basin Fruitland production is based on historical production from surrounding wells in the same pools.