



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR  
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SECRETARY

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SANTA FE, NEW MEXICO 87501  
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July 31, 1981

Texaco Inc.  
Drawer 728  
Hobbs, New Mexico 88240

Administrative Order No. DHC-343  
G. L. Erwin "A" Fed. Well No. 1-N  
Unit N, Section 35, Township 24 South,  
Range 37 East, Justis Tubb Drinkard  
and Justis Blinebry

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both 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 down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and Division Order No. R-2247, 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, total commingled oil production from the subject well shall not exceed 107 barrels per day, and total water production from the well shall not exceed 214 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 6000 by top unit allowable for the Justis Tubb Drinkard and the Justis Blinebry.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

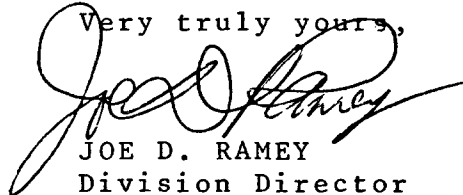
Upper Pool: Oil 38%, Gas 67%  
Lower Pool: Oil 62%, Gas 33%

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Texaco Inc.

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,



JOE D. RAMEY  
Division Director

JDR/RJ/og

cc: Oil Conservation Division  
Box 1980  
Hobbs, New Mexico