



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

January 26, 1983

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Administrative Order No. DHC-390

Exxon Corporation
P. O. Box 1600
Midland, Texas 79702

Attention: J. K. Lytle

Re: South Carlsbad Gas Com 2 Well
No. 1, NW/4 SE/4 Sec. 27, T-23-S,
R-26-E, NMPM, Eddy County
Undesignated Strawn Gas and
South Carlsbad Morrow Gas Pools

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 wellbore.

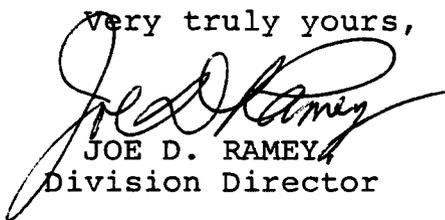
It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and Division Order No. Mc 2074 which authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

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

Upper Pool: Condensate 100%, Gas 42%
Lower Pool: Condensate 0%, Gas 58%

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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