STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

March 27, 1984

Administrative Order No. DHC-463

Conco Inc.
P.O. Box 460
726 E. Michigan
Hobbs, NM   88240

Attention: Mark K. Mosley, Division Manager

Re: Northeast Haynes No. 1E,
     Unit O, Sec. 9-24N-R-5W
     Northeast Haynes No. 2E,
     Unit G, Sec. 16 24N-R-5W,
     Northeast Haynes No. 3E,
     Unit L, Sec. 16-24N-R-5W,
     Northeast Haynes No. 6E,
     Unit B, Sec. 15-24N-R-5W,
     Northeast Haynes No. 7E,
     Unit J, Sec. 10-24N-5W,
     Northeast Haynes No. 8E,
     Unit L, Sec. 15-24N-R-5W
     Otero Gallup and Basin-Dakota
     Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well 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.
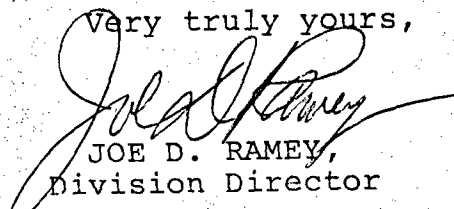
In accordance with the provisions of Rule 303.C.4., total commingled oil production from each well shall not exceed 30 barrels per day, and total water production from the well shall not exceed 60 barrels per day. The maximum amount of gas which may be produced daily from each well shall be determined by adding the combined gas production from each pool at the time of commingling.

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

Otero Gallup Pool: Oil 63 %, Gas 7 %
Basin Dakota Pool: Oil 37 %, Gas 93 %

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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