

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS  
GOVERNOR

May 12, 1987

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

Administrative Order No. DHC-647

Sun Exploration & Production Co.  
P. O. Box 1861  
Midland, Texas 79702-9970

Attention: Bruce Goodwin

Re: W. W. Weatherly Well No. 3, Unit G,  
Sec. 17, T-21-S, R-37-E, NMPM,  
Lea County, New Mexico  
Penrose Skelly Grayburg and Drinkard 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 and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

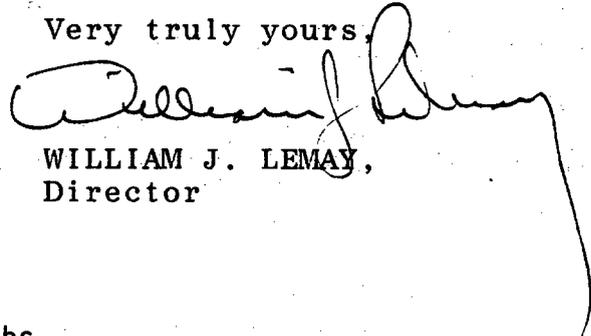
In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 6000 by the top unit allowable for the Drinkard Pool.

In accordance with the provisions of Rule 303-C, the supervisor of the District Office of the Oil Conservation Division shall

determine the proper allocation of production from the subject well following its completion.

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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

A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the typed name. The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

WILLIAM J. LEMAY,  
Director

cc: Gas Co. of N.M.  
OCD District Office - Hobbs