

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-4708

Order Date: October 17, 2014

Application Reference Number: pMAM146156725

CROSS TIMBERS ENERGY, LLC
382 CR 3100
Aztec, NM 87410

Attention: Robbie Grigg

State A Well No. 77
API No. 30-039-30280
Unit G, Section 2, Township 26 North, Range 6 West, NMPM
Rio Arriba County, New Mexico

Pool	BLANCO MESAVERDE (PRORATED GAS)	Gas	(72319)
Names:	BASIN MANCOS		(97232)
	BASIN DAKOTA (PRORATED GAS)	Gas	(71599)

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, Basin Mancos, and Basin Dakota formations.

Assignment of allowable and allocation of production from the well shall be as follows:

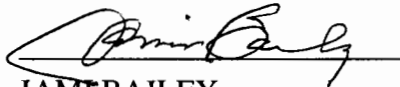
BLANCO MESAVERDE (PRORATED GAS)	Pct. Gas: 20	Pct. Oil: 26
BASIN MANCOS	Pct. Gas: 38	Pct. Oil: 58
BASIN DAKOTA (PRORATED GAS)	Pct. Gas: 42	Pct. Oil: 16

It is also understood that you have given due notice of this application, as defined in Division Rule 19.15.4.12A. (6) NMAC, to all owners of interest when ownership is not common for the commingled zones within the spacing unit.

REMARKS: The operator shall notify the Aztec District office prior to implementation of the commingling operations.

This Order was done in conjunction with Division Order NSP-2009, issued on October 17, 2014 for the Basin Mancos Pool only.

Pursuant to Division Rule 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



JAMI BAILEY

Director

JB/mam

cc: New Mexico Oil Conservation Division – Aztec
New Mexico State Land Office – Oil, Gas, and Minerals