

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ADMINISTRATIVE ORDER DHC-715

Conoco, Inc.
P.O. Box 460
Hobbs, NM 88240

Attention: David L. Wacker

Baish "A" Well No. 14
Unit D, Section 22, Township 17 South, Range 32
East, NMPM, Lea County, New Mexico.
Baish Wolfcamp and Maljamar Abo Pools

Dear Mr. Wacker:

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 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 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 70 barrels per day, and total water production shall not exceed 140 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by the top unit allowable for the Baish Wolfcamp Pool.

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

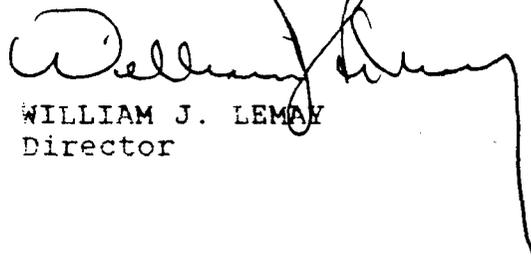
| | | |
|----------------|----------|---------|
| Abo Pool: | Oil 1%, | Gas 6% |
| Wolfcamp Pool: | Oil 99%, | Gas 94% |

Administrative Order DHC-715
Conoco, Inc.
Page 2

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 29th day of December, 1988.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the typed name and title. The signature is fluid and cursive, with a long vertical line extending downwards from the end of the name.

WILLIAM J. LEMAY
Director

S E A L