



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION



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GOVERNOR

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SANTA FE, NEW MEXICO 87504  
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**ADMINISTRATIVE ORDER DHC-992**

Enron Oil and Gas Company  
P.O. Box 2267  
Midland, TX 79702

Attention: Hal Crabb, III

*Pure Gold "B" Federal Well No. 2  
Unit O, Section 17 (Surface Location) Unit B, Section 20 (Bottom Hole  
Location), Township 23 South, Range 31 East, NMPM,  
Eddy County, New Mexico.  
West Sand Dunes-Atoka and West Sand Dunes-Morrow Gas Pools*

Dear Mr. Crabb:

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 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 80 barrels per day, and total water production shall not exceed 160 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's Southeast Gas Proration Schedule.

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

Atoka Pool	Oil	20%	Gas	14%
Morrow Pool	Oil	80%	Gas	86%

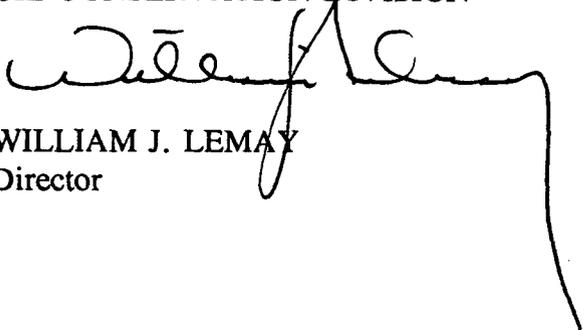
Subsequent to conducting a production survey on the subject well, the applicant shall submit the results of the survey along with a revised allocation formula to the Santa Fe Office of the Division for approval.

FURTHER: The operator shall notify the Artesia District Office of the Division upon implementation of the commingling process.

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 15th day of March, 1994.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY  
Director

S E A L

WJL/DRC/amg

cc: Oil Conservation Division - Artesia  
US Bureau of Land Management - Carlsbad