NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3476

Marathon Oil Company
PO Box 3487
Houston, TX 77253-3487

Attention: Charles E. Kendrix

J L MUNCY #007
API No. 30-025-29219
Unit G, Section 24, Township 22S, Range 37E, NMPM,
LEA County, New Mexico
WANTZ;GRANITE WASH (62730), and
TUBB OIL & GAS (PRO GAS) (86440) Pools

Dear Mr. Kendrix:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject 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 or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

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

WANTZ;GRANITE WASH Pool	*Oil-99%*	*Gas-43%*
TUBB OIL & GAS (PRO GAS) Pool	*Oil-1%*	*Gas-57%*

These percentages shall be amended only with written permission of the Division.

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on June 29, 2005.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Hobbs