

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



ADMINISTRATIVE ORDER DHC-1134

Texaco Exploration & Production, Inc.
P.O. Box 730
Hobbs, New Mexico 88241-0730

Attention: Mr. Russell Pool

*C.H. Lockhart Federal NCT-1 Well No.11
Unit D, Section 18, Township 22 South, Range 38 East,
NMPM, Lea County, New Mexico.
South Brunson Drinkard-Abo and Wantz Granite Wash Pools*

Dear Mr. Pool:

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 50 barrels per day, and total water production shall not exceed 100 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 Wantz Granite Wash Pool.

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

South Brunson Drinkard Abo	Oil 44.68%	Gas 54.79%
Wantz Granite Wash	Oil 55.32%	Gas 45.21%

VILLAGRA BUILDING - 408 Galisteo

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

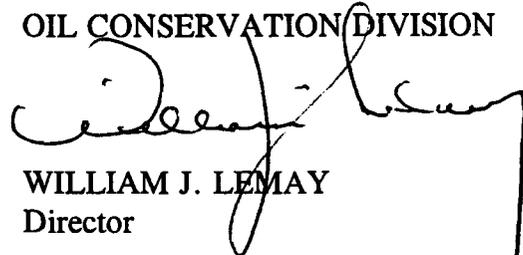
Oil Conservation
827-7131

FURTHER: The operator shall notify the Hobbs 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Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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 23rd day of May, 1995.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WJL/BES

cc: Oil Conservation Division - Hobbs
Bureau of Land Management - Carlsbad