



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-959-A

Burlington Resources Oil & Gas Company
P.O. Box 4289
Farmington, New Mexico 87499

Attention: Peggy Cole

*Jicarilla "150" Well No. 8
API No. 30-039-20338
Unit G, Section 2, Township 26 North, Range 5 West, NMPM,
Rio Arriba County, New Mexico
Otero-Chacra (Gas - 82329),
Blanco-Mesaverde (Prorated Gas - 72319),
Basin-Dakota (Prorated Gas - 71599) and
BS Mesa-Gallup (Gas - 72920) Pools*

Dear Ms. Cole:

Reference is made to your recent application for an amendment to Division Order No. DHC-959 dated December 21, 1993, which order authorized the downhole commingling of Basin-Dakota, Blanco-Mesaverde and BS-Mesa Gallup Pool production within the Jicarilla "150' Well No. 8. It is our understanding that Burlington Resources Oil & Gas Company now seeks to add the Otero-Chacra Gas Pool as the fourth commingled zone in the well.

It appearing that the subject well qualifies for approval of such amendment 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 zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.(1), the maximum amount of gas that may be produced daily from the well shall be determined by Division Rules and Regulations, or by the gas allowable for each respective prorated gas pool as printed in the Division's San Juan Basin Gas

Proration Schedule.

The applicant shall consult with the supervisor of the Aztec District Office of the Division upon completion and testing of the well in order to determine a fixed allocation of production from each of the commingled zones. Upon approval by the Division's Aztec District Office, the applicant shall submit the allocation formula in writing to the Santa Fe Office of the Division.

Failure to comply with the above-described allocation procedure shall subject the well to shut-in, or other action as deemed necessary by the Division.

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

Pursuant to Rule 303.C.(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 this 16th day of July, 2003.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Division Director

LW/DRC

cc: Oil Conservation Division – Aztec
Bureau of Land Management – Albuquerque
File-DHC-959