



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-2092

Texaco Exploration & Production Inc.
205 East Bender
Hobbs, New Mexico 88240

Ms. J. Denise Leake

*Remuda Basin State No. 4
API No. 30-015-28420
Unit N, Section 19, Township 23 South, Range 30 East, NMPM,
Eddy County, New Mexico.
Wildcat-Bone Spring (Oil), and
Nash Draw-Brushy Canyon (Oil - 47545) Pools*

Dear Ms. Leake:

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 and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C., the daily allowable producing rates from the subject well are hereby established as follows:

Oil 142 B/D Gas 1136 MCF/D Water 284 B/D

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

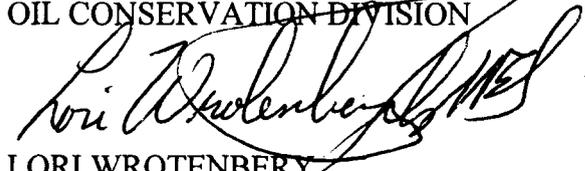
Wildcat Bone-Spring Pool	Oil 62%	Gas 14%
Nash Draw-Brushy Canyon Pool	Oil 38%	Gas 86%

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

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 8th day of September, 1998.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

SEAL

LW/DRC

cc: Oil Conservation Division - Artesia
State Land Office-Oil & Gas Division