



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

2nd AMENDED ADMINISTRATIVE ORDER DHC-2177

Sapient Energy Corporation
8801 South Yale
Suite 150
Tulsa, Oklahoma 74137

Attention: Mr. Gerald Lucero

*NMFU Federal No. 1
API No. 30-025-33836
Unit P, Section 23, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico.
Blinebry Oil & Gas (Oil – 6660) and
East Warren-Tubb (Oil – 87085) Pools*

Dear Mr. Lucero:

Reference is made to your recent application for an amendment to Amended Division Order No. DHC-2177 dated September 26, 2000, which order authorized the downhole commingling of Blinebry Oil & Gas, East Warren-Tubb and DK-Abo Pool production within the well. It is our understanding that the DK-Abo Pool has been isolated below a bridge plug and will no longer be producing within the well.

It appearing that the subject well qualifies for approval for 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), each of the commingled pools shall be allowed to produce up to the top oil allowable and top casinghead gas allowable applicable for that pool.

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

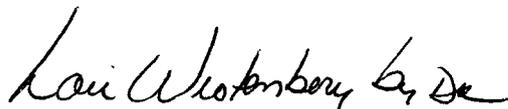
Blinebry Oil & Gas Pool	Oil-58%	Gas-52%
East Warren-Tubb Pool	Oil-42%	Gas-48%

REMARKS: The operator shall notify the Hobbs 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Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 9th day of July, 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

SEAL

LW/DRC

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