



**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-2462

Conoco Inc.
10 Desta Drive
Suite 100W
Midland, Texas 79705-4500

Attention: Ms. Kay Maddox

*Warren Unit No. 8
API No. 30-025-07844
Unit J, Section 28, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico.
Warren Blinebry-Tubb (Oil -62965), and
Warren-Drinkard (Oil -63080) Pools*

Dear Ms. Maddox:

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 well are hereby established as follows:

Oil 142 B/D

Gas N/A

Water 214 B/D

Production from the well shall be allocated as follows:

Oil and gas production from the Warren Blinebry-Tubb Pool shall be determined by utilizing the annual production forecast submitted as an attachment to the downhole commingling application. Warren-Drinkard Pool production shall be determined by subtracting Warren Blinebry-Tubb Pool production from the well's total monthly oil and gas production.

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REMARKS: The operator shall notify the Hobbs 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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 21st day of September, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director

S E A L

LW/DRC

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