



**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-2644

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

Attention: Ms. Kay Maddox

*SEMU No. 134
API No. 30-025-34382
Unit L, Section 30, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico.
North Hardy-Tubb Drinkard (Oil - 96356) and
North Hardy-Strawn (Oil - 96893) 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 1420 MCF/D

Water 284 B/D

Production from the well shall be allocated as follows:

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

Administrative Order DHC-2644

Conoco Inc.

February 23, 2000

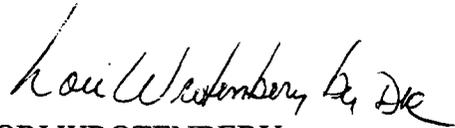
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REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 23rd day of February, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

S E A L

LW/MWA/kv

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