



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

## *ADMINISTRATIVE ORDER DHC-2924*

Phillips Petroleum Company  
4001 Penbrook Street  
Odessa, Texas 79762

Attention: Mr. L. M. Sanders

*State "R" No. 1  
API No. 30-025-34271  
Lot 6, Section 1, Township 21 South, Range 34 East, NMPM,  
Lea County, New Mexico.  
Wildcat-Atoka (Gas - N/A) and  
West Osudo-Morrow (Gas - 82240) Gas Pools*

Dear Mr. Sanders:

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.

The maximum amount of gas which 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 Southeast Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis for the year 2001:

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Wildcat-Atoka Gas Pool	Oil-100%	Gas-67%
West Osudo-Morrow Gas Pool	Oil-0%	Gas-33%

Subsequent to 2001, the gas production from each pool shall be allocated in accordance with the following schedule. In addition, the oil production from each pool shall be allocated at a constant rate of 100% to the Strawn and 0% to the Morrow formation.

<u>Year</u>	<u>Atoka Gas Allocation (%)</u>	<u>Morrow Gas Allocation (%)</u>
2002	76	24
2003	79	21
2004	81	19
2005	82	18
2006	83	17
2007	84	16
2008	84	16
2009	90	10
2010 & Subsequent	100	0

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Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 10th day of July, 2001.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



LORI WROTENBERY  
Director

*Administrative Order DHC-2924*

*Phillips Petroleum Company*

*July 10, 2001*

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LW/DRC

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