



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3047

Mack Energy Corporation
PO Box 960
Artesia, New Mexico 88210

Attention: Mr. Matt Brewer

*Antelope State Well No. 3
API No. 30-015-32151
Unit K, Section 36, Township 17 South, Range 31 East, NMPM,
Eddy County, New Mexico.
Undesignated Maljamar-Grayburg-San Andres (Oil 43329), and
Tamano-San Andres (Oil 58060) Pools*

Dear Mr. Brewer:

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.(1), each of the commingled pools shall be allowed to produce up to the top oil allowable and top casing head gas allowable applicable for that pool.

The applicant shall consult with the supervisor of the Artesia District Office of the Division upon completion and testing of the well in order to determine a fixed allocation of production from each of the commingled zones. Upon approval by the Division's Artesia District Office, the applicant shall submit the allocation formula to the Santa Fe Office of the Division.

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REMARKS: The operator shall notify the Artesia 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Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 September 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenberg (LWJJ)
LORI WROTENBERY
Director

LW/wvjj

cc: Oil Conservation Division - Artesia
State Land Office – Santa Fe