



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order DHC-4118

Order Date: 11/9/2008

Application Reference Number: pKVR0826234592

TEXLAND PETROLEUM-HOBBS, LLC
777 MAINSTREET, SUITE 3200,
FORT WORTH, TX 76102

Attention: VICKIE SMITH

W D GRIMES NCT B Well No. 009
API No: 30-025-28299
Unit A, Section 33, Township 18 South, Range 38 East, NMPM
Lea County, New Mexico

Pool: Wildcat Tubb Oil
Names: HOBBS;DRINKARD Oil 31730
HOBBS;LOWER BLINEBRY Oil 31650

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 or otherwise required separation of the zones is hereby placed in abeyance.

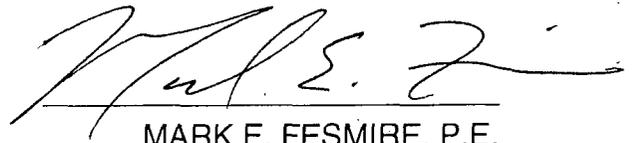
In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

The production allocation percentages of oil and gas between these pools shall be supplied to the Division's Santa Fe office within 60 days following completion of this workover.

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.



Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



MARK E. FESMIRE, P.E.
Director

MEF/wvjj

cc: Oil Conservation Division – Hobbs