



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-3446-A

Order Date: 1/9/2009

Application Reference Number: pKAA0835250950

BP AMERICA PRODUCTION COMPANY
PO BOX 3092,
Houston, TX 77253-3092

Attention: CHERRY HLAVA, REGULATORY ANALYST

PRITCHARD Well No. 003A
API No: 30-045-22345
Unit P, Section 31, Township 29 North, Range 8 West, NMPM
San Juan County, New Mexico

Pool:	BASIN FRUITLAND COAL (GAS)	Gas 71629
Names:	BLANCO PICTURED CLIFFS (GAS)	Gas 72359
	BLANCO-MESAVERDE (PRORATED GAS)	Gas 72319

Reference is made to your recent application for an exception to Rule 12.9A 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 12.11A., 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 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

The subtraction method is approved for production allocation percentages of oil and gas between these pools. The Basin Fruitland Coal Gas rate shall be the remainder after subtracting Pictured Cliffs and Mesaverde gas from the total well gas stream. The Pictured Cliffs and Mesaverde established declines shall be used for those rates.

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

Oil Conservation Division * 1220 South St. Francis Drive
* Santa Fe, New Mexico 87505

* Phone: (505) 476-3440 * Fax (505) 476-3462* <http://www.emnrd.state.nm.us>



Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 – Aztec
Bureau of Land Management - Farmington