



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



May 26, 2010

Administrative Order DHC-4284

Mewbourne Oil Company
Attn: Mr. Robin Terrell
P.O. Box 5270
Hobbs, NM 88240

Re: Thompson "8" Federal Com Well No. 1
API No. 30-015-35734
Unit Letter A, Section 8, Township 20 South, Range 29 East, NMPM
Eddy County, New Mexico

Pools: East Burton Flat; Strawn Gas (73400)
East Burton Flat; Morrow Gas (73320)

Dear Mr. Terrell:

Reference is made to your application for an exception to Division Rule 12.9A. to permit down hole commingling of production from the subject pools within the above-described 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.

In accordance with Division Rule 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and allocation of production from the well shall be as follows:

East Burton Flat; Strawn Gas Pool	Pct Gas: 10%	Pct Oil: 50%
East Burton Flat; Morrow Gas Pool	Pct Gas: 90%	Pct Oil: 50%

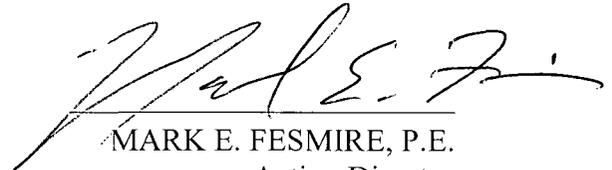


It is our understanding that the above allocation percentages are based on measured or estimated rates from the respective intervals.

It is also understood that ownership of all interests in the pools from which production is being commingled is identical.

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

Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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.
Acting Director

MEF/wvj

cc: Oil Conservation Division – Artesia
Bureau of Land Management - Carlsbad