



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-2781

Mallon Oil Company
P.O. Box 2797
Durango, Colorado 81302

Attention: Mr. Terry G. Lindeman



Previous #
DHC-2783
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Jicarilla 30-03-34 No. 3

API No. 30-039-26117

*Unit D, Section 34, Township 30 North, Range 3 West, NMPM,
Rio Arriba County, New Mexico.*

- ✓ Undesignated Cabresto Canyon-San Jose (Gas - 96822),*
- ✓ Undesignated Cabresto Canyon-Nacimiento (Gas - 96821),*
- ✓ Undesignated Cabresto Canyon-Ojo Alamo (Gas - 96538) and*
- ✓ Undesignated East Blanco-Pictured Cliffs (Gas - 72400) Pools*

Dear Mr. Lindeman:

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 pool as printed in the Division's San Juan Basin Gas Proration Schedule.

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