

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Acting Director Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3276

Devon Energy Production Company, L.P. 20 N. Broadway, Suite 1500 Oklahoma City, OK 73102

Attention: Linda Guthrie

Filaree 24 Federal Well No. 1 API No. 30-015-29280 Unit H, Section 24, Township 22 South, Range 25 East, NMPM, Eddy County, New Mexico Southeast Revelation-Strawn (Gas-96924), and East McKittrick Hills-Atoka (Gas-96472) Pools

Dear Ms. Guthrie:

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 allocated production from any prorated pool in the commingled wellbore shall not exceed the applicable allowable.

Assignment of allowable to the well and allocation of production from the well shall be as follows. These percentages shall be amended only with permission of the Artesia District Office and copied in writing to the Division office in Santa Fe.

SE Revelation-Strawn Gas Pool	Oil-40%	Gas-25%
E McKittrick Hills-Atoka Gas Pool	Oil-60%	Gas-75%

REMARKS: The operator shall notify the Artesia District Office of the Division upon implementation of commingling operations.

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Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 4th day of May 2004.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOANNĂ PRUKOP Acting Division Director

JP/wvjj

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