

DIRECTOR
JOE D. RAMEY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE

87501

LAND COMMISSIONER
PHIL R. LUCERO

STATE GEOLOGIST EMERY C. ARNOLD

February 22, 1977

Imperial-American Management Company 215 Mid America Building Midland, Texas 79701

Attention: Richard S. Guenther

Administrative Order No. DHC-212 Royalty Holding Well No. 3, Unit H, Section 25, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, Drinkard and Wantz-Abo Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Commission Rules and Regulation for the subject well to permit the commingling of production from both pools in the well-bore.

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 down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by top unit allowable for the Wantz-Abo Pool.

Assignment of allowable to the well shall be on the following basis:

Upper Pool: 94% Lower Pool: 6%

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Secretary-Director if, in his opinion

-2-

Imperial-American Management Co.

conservation is not being best served by such commingling.

Very truly yours,

JOE D. RAMEY Secretary-Director

JDR/CU/ og

cc: Oil Conservation Commission

Box 1980

Hobbs, New Mexico