## JERRY APODACA

## ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

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POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

GOVERNOR

NICK FRANKLIN
SECRETARY

August 21, 1978

P. 0. Box 3000 Midland, Texas 79702

Attention: J. H. Walters

Administrative Order No. DHC-257 Hinton Well No. 13, Unit L, Section 12, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, Drinkard and Wantz-Granite Wash Pools

## Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the 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 be violated thereby, you are hereby authorized to commingle the production as described above and Division Order No. MC-2133, which authorized the dual completion and required separation of the zones, is hereby placed in abeyance.

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 t top unit allowable for the Wantz-Granite Wash Pool.

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

Upper Pool: Oil 11%, Gas 85% Lower Pool: Oil 89%, Gas 15% Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

JOE D. RAMEY Division Director

JDR/CU/og

cc: Oil Conservation Division Box 1980 Hobbs, New Mexico