



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

*Well
File*

TONY ANAYA
GOVERNOR

March 9, 1983

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Administrative Order No. DHC-396

Amoco Production Company (USA)
P. O. Box 68
Hobbs, New Mexico 88240

Attention: S. J. Okerson

Re: Southland Royalty "A" No. 4
Section 4, T-21-S, R-37E,
660 FSL and 660 feet FEL,
Lea County, Drinkard and Tubb
Oil and Gas 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 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 (Division Order No. (DC-104 Form C-107, dated April 21, 1983), which authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

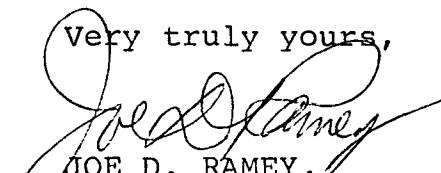
In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the Tubb Oil and Gas Pool.

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

Upper Pool: Oil 17 %, Gas 80 %
Lower Pool: Oil 83 %, Gas 20 %

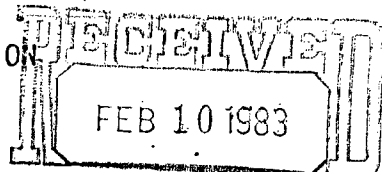
Pursuant to Rule 303-C 5, the commingled authority granted
by this order may be rescinded by the Division Director if, in
his opinion, conservation is not being best served by such
commingling.

Very truly yours,



JOE D. RAMEY,
Division Director

OIL CONSERVATION DIVISION
DISTRICT 1



OIL CONSERVATION DIVISION
SANTA FE

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

DATE February 7, 1983

RE: Proposed MC _____
Proposed DHC X _____
Proposed NSL _____
Proposed NSP _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application for the:

Amoco Production Co. Southland Royalty A	No. 4-X	4-21-37
Operator	Lease and Well No.	Unit, S - T - R

and my recommendations are as follows:

O.K.----J.S.

Yours very truly,

/mc