

## ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

September 26, 1983

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

Administrative Order No. DHC-422

Hixon Development Co. P. O. Box 2810 Farmington, New Mexico 87499

Attention: Aldrich L. Kuchera

Re: Irene Whitney Well No. 1 1850' FSL and 1650' FWL of Sec. 21, T-25-N, R-11-W, San Juan County, New Mexico Basin Dakota and Bisti Lower Gallup Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well 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.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 30 barrels per day, and total water production from the well shall not exceed 60 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 Bisti Lower Gallup Pool.

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

Bisti Lower Pool: Oil 74%, Gas 91% Basin Dakota Pool: Oil 26%, Gas 9%

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Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

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Very truly yours,

JOE D. RAMEY,

Division Director