



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION

TONEY ANAYA  
GOVERNOR

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

September 5, 1983

Administrative Order No. DHC-426

Arco Oil & Gas Company  
P.O. Box 1610  
Midland, Texas 79702

Attention: Jerry L. Tweed

Re: Stuart "A WN Well No. 2  
330 FNL and 2310 FW1, Sec. 14,  
T-24S, R-37E, Lea County, NM

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 and any Administrative Division order which may have authorized the dual completion of those two zones, is hereby placed in abeyance.

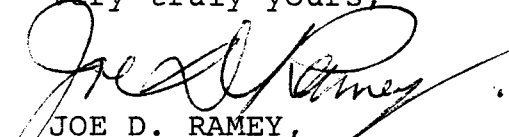
In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 30 barrels per day, and total water production from the well shall not exceed 60 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 6,000 by top unit allowable for the Justis Blinbry Pool.

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

Upper Pool: Oil 50 %, Gas 50 %  
Lower Pool: Oil 50 %, Gas 50 %

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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