



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ADMINISTRATIVE ORDER DHC-745

Oryx Energy Company
P.O. Box 1861
Midland, TX 79701

Attention: Bruce Goodwin

New Mexico "R" State Well No. 2
Unit H, Section 33, Township 13 South, Range 34 East, NMPM, Lea
County, New Mexico.
Cerca Upper Penn and Cerca Lower Wolfcamp Pools

Dear Mr. Goodwin:

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 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 commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order 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 80 barrels per day, and total water production shall not exceed 160 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by the top unit allowable for the Cerca Lower Wolfcamp Pool.

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

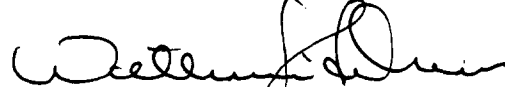
Wolfcamp Pool:	Oil 0%,	Gas 0%
Upper Penn Pool:	Oil 100%,	Gas 100%

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

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Approved at Santa Fe, New Mexico on this 1st day of December, 1989.

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A handwritten signature in black ink, appearing to read "William J. Lemay", written over the printed name.

WILLIAM J. LEMAY
Director

S E A L