



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

JAMI BAILEY
Division Director
Oil Conservation Division



Administrative Order DHC-4491

Order Date: 1/5/2012

Application Reference Number: pTGW1134946889

FOUR STAR OIL & GAS CO
PO BOX 730,
AZTEC, NM 87410

Attention: James Micikas

L M BARTON Well No. 001C
API No: 30-045-30567
Unit N, Section 12, Township 30 North, Range 12 West, NMPM
San Juan County, New Mexico

Pool: BASIN FRUITLAND COAL (GAS) Gas 71629
Names: BLANCO-MESAVERDE (PRORATED GAS) Gas 72319

Reference is made to your recent application for an exception to 19.15.12.9A NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A NMAC, 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 Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

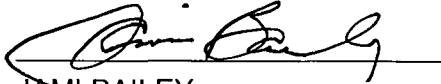
In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

The gas and condensate production shall be allocated based on the subtraction method as per the application.

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.



Pursuant to 19.15.12.11B NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

A handwritten signature in black ink, appearing to read "Jami Bailey", is written over a horizontal line.

JAMI BAILEY
Director

JB/wvjj

cc: Oil Conservation Division – Aztec