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-4503 Order Date: 1/21/2012 Application Reference Number: pTGW1202048339

RESACA OPERATING COMPANY 1331 LAMAR STREET, SUITE 1450 HOUSTON, TX 77010

Attention: Melanie Reyes

	COOPER JAL UNIT Well No. 127	
	API No: 30-025-09637	
	Unit H, Section 24, Township 24 South, Range 36	East, NMPM
	Lea County, New Mexico	
Pool:	JALMAT;TAN-YATES-7 RVRS (OIL)	Oil 33820
Names:	LANGLIE MATTIX;7 RVRS-Q-GRAYBURG	Oil 37240

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.

Assignment of allowable and allocation of production from the well shall be as follows:

JALMAT;TAN-YATES-7 RVRS (OIL) Pool	Pct Gas: 50	Pct Oil: 50
LANGLIE MATTIX;7 RVRS-Q-GRAYBURG Pool	Pct Gas: 50	Pct Oil: 50



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Pursuant to 19.15.12.11B NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

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JAMIBAILEY Director

JB/wvjj

cc: Oil Conservation Division – Hobbs