NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

ADMINISTRATIVE ORDER DHC-1170

Conoco, Inc. 10 Desta Drive, Suite 100W Midland, Texas 79705-4500

Attention: Mr. Jerry W. Hoover

Warren Unit Well No.95 Unit P, Section 28, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico. Warren Blinebry-Tubb Oil & Gas and Warren Drinkard Pools

Dear Mr. Hoover:

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 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 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 40 barrels per day, and total water production shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's Southeast Gas Proration Schedule.

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

| Warren Blinebry-Tubb Oil & Gas Pool | Oil 98% | Gas 27% |
|-------------------------------------|---------|---------|
| Warren Drinkard Pool | Oil 2% | Gas 73% |

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

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Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 30th day of November, 1995.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION WILLIAM J. LE Director

SEAL

WJL/BES

cc: Oil Conservation Division - Hobbs