

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

David R. Catanach, Division Director
Oil Conservation Division



Administrative Order DHC-4705-A

Order Date: March 4, 2015

Application Reference Number: pMAM1506229872

Breitburn Operating LP
600 Travis Street, Suite 4800
Houston, Tx. 77002

Attention: Ms. Shelly Doescher

Encore M State Well No. 8
API No. 30-025-40721
Unit J, Section 19, Township 22 South, Range 37 East NMPM
Lea County, New Mexico

Pool	BLINEBRY OIL AND GAS (OIL)	Oil (6660)
Names:	DRINKARD	Oil (19190)
	WANTZ;ABO	Oil (62700)
	TUBB OIL AND GAS (OIL)	Oil (60240)

Reference is made to your recent application for an exception to Division Rule 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 appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since 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 Division Rule 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.

As per the application, the assignment of allowable and allocation of oil production from the subject well shall be based on historical production and engineering experience. After the initial production rapidly declines, the four pools will contribute equally to oil and gas production.

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

BLINEBRY OIL AND GAS (OIL) POOL	Pct. Oil: 25	Pct. Gas: 25
TUBB OIL AND GAS (OIL)	Pct. Oil: 25	Pct. Gas: 25
DRINKARD POOL	Pct. Oil: 25	Pct. Gas: 25
WANTZ;ABO POOL	Pct. Oil: 25	Pct. Gas: 25

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12A.(6), is not required since the interest ownership between the zones to be commingled is common throughout.

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

This Order supersedes Division Order DHC 4705, issued on September 30, 2014.

This Order is subject to like approval from the New Mexico State Land Office.

Pursuant to Division Rule 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.



David R. Catanach
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals