

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-4737-A

Order Date: April 8, 2015

Application Reference Number: pMAM1509844803

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

Attention: Ms. Shelly Doescher

Encore M State Well No. 15  
API No. 30-025-42363  
Unit J, Section 20, 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 data from the Encore M State Well No. 8, which is in close proximity to the Encore M State Well No. 15.

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 subject pools to be commingled are common throughout.

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

This Order supersedes Division Order DHC 4737, issued on February 20, 2015.

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