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-4777 Order Date: September 3, 2015 Application Reference Number: pJAG1520530244

ConocoPhillips Company P.O.Box 51810 Midland, Tx. 79710-1810

Attention: Ms. Ashley Bergen

Britt B Well No. 54 API No. 30-025-pending Unit O, Section 10, Township 20 South, Range 37 East NMPM Lea County, New Mexico

Pool	SKAGGS; GLORIETA	Oil (57190)
Names:	WEIR; BLINEBRY	Oil (63780)
	MONUMENT; TUBB	Oil (47090)
	SKAGGS; DRINKARD	Oil (57000)

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.

The assignment of allowable and allocation of production for the subject well shall be based upon the results of well tests to be conducted on several Britt B Lease wells that will be drilled and downhole commingled in the Skaggs; Drinkard, Weir Blinebry, Monument; Tubb, and Skaggs; Glorieta Pools in the near future. Administrative Order DHC-4777 ConocoPhillips Company September 3, 2015 Page 2 of 2

The applicant shall submit the final allocation of production to the Division's Engineering and Geological Services Bureau within 30-days following the acquisition of test data from the offset wells.

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12A.(6), has been given to all interest owners, due to diversified interest.

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

This Order is subject to like approval from the Bureau of Land Management.

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 Bureau of Land Management - Carlsbad