



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

ADMINISTRATIVE ORDER DHC-1614-A

Conoco Inc.
P.O. Box 2197
DU 3084
Houston, Texas 77252-2197

Attention: Ms. Deborah Marberry

*Jicarilla "K" No. 16
API No. 30-039-20428
Unit D, Section 12, Township 25 North, Range 5 West, NMPM,
Rio Arriba County, New Mexico.
Blanco-Mesaverde (Prorated Gas - 72319) and
Basin-Dakota (Prorated Gas - 71599) Pools*

Dear Ms. Marberry:

Reference is made to your recent application for an amendment to Division Order No. DHC-1614 dated August 15, 1997, which order authorized Conoco Inc. to downhole commingle Blanco-Mesaverde, Basin-Dakota and Otero-Chacra within the Jicarilla "K" No. 16. It is our understanding that Conoco Inc. now proposes to downhole commingle the Basin-Dakota and Blanco-Mesaverde Gas Pools only within the wellbore.

It appearing that the subject well qualifies for approval for such amendment 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 zones is hereby placed in abeyance.

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 San Juan Basin Gas Proration Schedule.

Production from the well shall be allocated as follows:

Oil and gas production from the Basin-Dakota Gas Pool shall be determined by utilizing the production forecast submitted as an attachment to the downhole commingling application. Oil and gas production from the Blanco-Mesaverde Gas Pool shall be determined by subtracting Basin-

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Dakota Gas Pool production from the well's total monthly oil and gas production.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 26th day of February, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "Lori Wrotenbery by DRC".

LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Aztec
Bureau of Land Management-Farmington