



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-1690

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

Attention: Mr. Jerry W. Hoover

*Warren Unit No. 11
API No. 30-025-07885
Unit A, Section 35, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico.
Blinebry Oil & Gas (6660)
East Warren-Tubb (87085) and
East Warren-Drinkard (63120) Pools*

Dear Mr. Hoover:

Reference is made to your recent application for an amendment to Division Order No. R-4912 dated November 12, 1974, which order authorized the downhole commingling of Blinebry Oil & Gas and East Warren-Drinkard Pool production within the subject well. It is our understanding that you now propose to add East Warren-Tubb Pool production to the commingled stream.

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.

In accordance with the provisions of Rule 303.C. the daily allowable producing rates from the subject well are hereby established as follows:

Oil 107 B/D Gas 428 MCF/D Water 214 B/D

Production from the subject well shall be allocated as follows:

Production from the Blinebry Oil & Gas and East Warren-Drinkard Pools shall be determined utilizing the mid-year average production forecast submitted by the applicant as an attachment to the downhole commingling application. Production from the East Warren-Tubb Pool shall be determined by subtracting Blinebry Oil & Gas and East Warren-Drinkard Pool production from

the well's total monthly production.

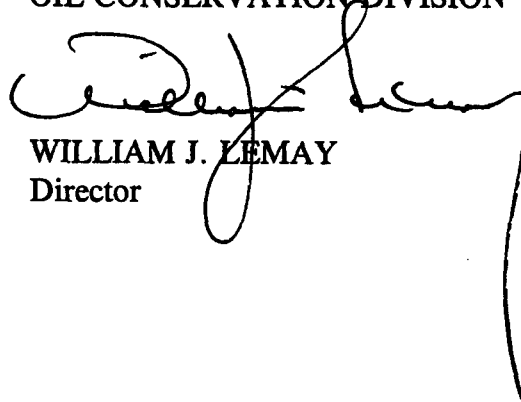
The allocation method established herein may be altered at some time subsequent to initiating downhole commingling operations upon request by the operator and for good cause shown.

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

Pursuant to Rule 303.H., the commingling authority granted herein 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 6th day of October, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WJL/DRC

cc: Oil Conservation Division - Hobbs
Bureau of Land Management-Carlsbad