

ADMINISTRATIVE ORDER DHC-1932

Cross Timbers Operating Company 810 Houston Street Suite 2000 Fort Worth, Texas 76102-6298

Mr. Edwin S. Ryan, Jr.

Ollie J. Boyd No. 2 API No. 30-025-10434 Unit D, Section 23, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. Paddock (Oil-49210) and, Blinebry Oil & Gas (Gas-72480) Pools

Dear Mr. Ryan:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception 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 gas pool as printed in the Division's Southeast Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Paddock Pool	Oil 50%	Gas 59%
Blinebry Oil & Gas Pool	Oil 50%	Gas 41%

Administrative Order DHC-1932 Cross Timbers Operating Company May 22, 1998 Page 2

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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 22nd day of May, 1998.

STATE OF NEW MEXICO **OIL CONSERVATION DIVISION** ratenber PALI

LORI/WROTENBERY Director

SEAL

LW/DRC

cc: Oil Conservation Division - Hobbs