OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (606) 827-7131

ADMINISTRATIVE ORDER DHC-1961

Marathon Oil Company P.O. Box 2409 Hobbs, New Mexico 88241-2409

Attention: Mr. Thomas P. Kacir

William Turner No. 4
API No. 30-025-27261
Unit J, Section 29, Township 21 South, Range 37 East, NMPM,
Lea County, New Mexico.
Blinebry Oil & Gas (Oil - 6660) and
Wantz-Abo (Oil - 62700) Pools

Dear Mr. Kacir:

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.

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:

Blinebry Oil & Gas Pool	Oil 72%	Gas 85%
Wantz-Abo Pool	Oil 28%	Gas 15%

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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 1st day of June, 1998.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

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Director

SEAL

LW/DRC

cc: Oil Conservation Division - Hobbs