

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-2873

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

Attention: Ms. Kay Maddox

State "E" No. 14
API No. 30-025-30516
Unit P, Section 17, Township 22 South, Range 36 East, NMPM,
Lea County, New Mexico.
Wildcat-Abo (Oil – N/A) and
Langley-Strawn (Oil – 37090) Pools

Dear Ms. Maddox:

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.(1), each of the commingled pools shall be allowed to produce up to the top oil allowable and top casinghead gas allowable applicable for that pool.

Production from the well shall be allocated as follows:

Oil and gas production from the Langley-Strawn Pool shall be determined utilizing the production forecast submitted as an attachment to the downhole commingling application. Oil and gas production from the Wildcat-Abo Pool shall be determined by subtracting Langley-Strawn Pool production from the well's total monthly oil and gas production.

Administrative Order DHC-2873 Conoco Inc. February 19, 2001 Page 2

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

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 19th day of February, 2001.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Lou Wrotenbery Ly De LORI WROTENBERY

Director

SEAL

LW/DRC

cc: Oil Conservation Division – Hobbs

State Land Office-Oil & Gas Division