

## 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-3048

Samson Resources Company Two West Second Street Tulsa, Oklahoma 74103

Attention: Mr. Raymond L. Taylor

Smith Ranch Federal No. 2-11 API No. 30-025-31138 Unit C, Section 11, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. Teas-Delaware (Oil 96797), and Teas-Bone Spring (Oil 58950) Pools

Dear Mr. Taylor:

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 casing head gas allowable applicable for that pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis unless amended by the Hobbs District Office and copied to this office.

Teas-Delaware Pool	Oil-38%	Gas-1%
Teas-Bone Spring Pool	Oil-62%	Gas-99%

Administrative Order DHC-3048 Samson Resources Company September 11, 2002 Page 2

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

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 11th day of September 2002.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

fori Wrotenbery

LORI WROTENBERY Director

LW/wvjj

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