



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Administrative Order DHC-3948
Application Reference Number: pTDS0725651982

BP AMERICA PRODUCTION COMPANY
P. O. BOX 3092
HOUSTON, TX 77253

Attention: Toya Colvin

RUSSELL LS Well No. 003
API No: 30-045-07242
Unit M, Section 23, Township 28 North, Range 8 West, NMPM
San Juan County, New Mexico

Pool:	Undesignated BLANCO PICTURED CLIFFS (GAS)	Gas 72359
Names:	BLANCO-MESAVERDE (PRORATED GAS)	Gas 72319
	OTERO CHACRA (GAS)	Gas 82329

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 or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

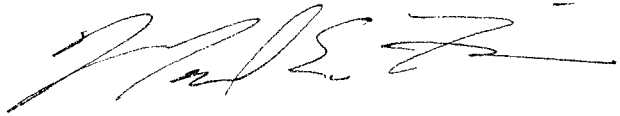
Assignment of allowable to the well and allocation of production from the well shall be done by using the subtraction method. The Chacra shall be assigned the remainder after subtracting established production from the Mesaverde and Pictured Cliffs Pools from the total well production.

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

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Order approved at Santa Fe, New Mexico on 10/4/2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', is written over the printed name.

MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Aztec
Bureau of Land Management - Farmington