Nexico Energy, Minerals and Natural Resources Department New N

Bill Richardson Governor

Joanna Prukop Cabinet Secretary **Reese Fullerton** Deputy Cabinet Secretary Mark Fesmire **Division Director Oil Conservation Division**



Administrative Order DHC-4084 Order Date: September 26, 2008

BURLINGTON RESOURCES OIL & GAS COMPANY LP PO Box 4289 FARMINGTON, NM 87499

Attention: Patsy Clugston

Pool:

UTE Well No. 27 API No: 30-045-29276 Unit L, Section 16, Township 32 North, Range 14 West, NMPM San Juan County, New Mexico BARKER DOME; DESERT CREEK (G) Gas 96353 Names: WC BARKER DOME HERMOSA Gas 97582 BARKER DOME; ISMAY (G) Gas 96354

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 abevance.

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 after testing of all intervals to be commingled. The applicant shall submit the allocation percentages to the Division within 60 days following completion of this workover.

The operator shall notify the Division's district office upon implementation of REMARKS: 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Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ARK E. FESMIRE, ESQ. P.E. Director

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