

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

Reese Fullerton

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



Administrative Order DHC-4114

Order Date: 11/9/2008

Application Reference Number: pKVR0828029616

MARBOB ENERGY CORP

PO Box 227,

Artesia, NM 88211

Attention: BRIAN COLLINS

JUNCTION FEDERAL COM Well No. 001

API No: 30-015-33533

Unit K, Section 19, Township 17 South, Range 31 East, NMPM

Eddy County, New Mexico

Pool: Undes FREN; CISCO-CANYON (O)

Oil 97126

Names: Undes HENSHAW; WOLFCAMP, SE (O)

Oil 96520

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 and allocation of production from the well shall be as follows:

FREN; CISCO-CANYON (O) Pool	Pct Gas: 83	Pct Oil: 83
HENSHAW; WOLFCAMP, SE (O) Pool	Pct Gas: 17	Pct Oil: 17

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.

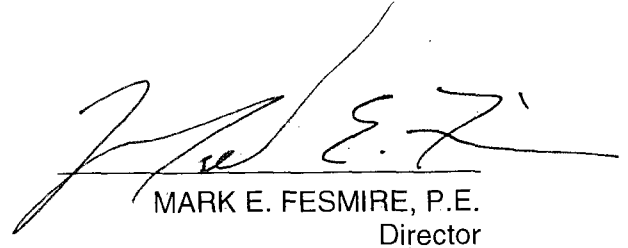
Oil Conservation Division * 1220 South St. Francis Drive

* Santa Fe, New Mexico 87505

* Phone: (505) 476-3440 * Fax: (505) 476-3462* <http://www.emnrd.state.nm.us>



Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



MARK E. FESMIRE, P.E.
Director

MEF/wvj

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