



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-4131

Order Date: 12/6/2008

Application Reference Number: pKVR0832929850

FOUR STAR OIL & GAS CO

15 Smith Road

Midland, TX 79705

Attention: ALAN W BOHLING, REG AGENT

JOHN CHARLES Well No. 007

API No: 30-045-06445

Unit N, Section 13, Township 27 North, Range 9 West, NMPM

San Juan County, New Mexico

Pool:	BASIN DAKOTA (PRORATED GAS)	Gas 71599
Names:	BLANCO-MESAVERDE (PRORATED GAS)	Gas 72319
	OTERO CHACRA (GAS)	Gas 82329

Reference is made to your recent application for an exception to Rule 12.9A 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 12.11A., 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 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

The Chacra Gas production shall be the remainder after subtracting Mesaverde Gas and Dakota Gas production from total well production. The Mesaverde and Dakota gas production shall be from established decline rates.

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

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Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 – Aztec
Bureau of Land Management - Farmington
