



New Mexico Energy, Minerals and Natural Resources Department

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Jim Noel
Cabinet Secretary

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Deputy Cabinet Secretary

thur "Butch" Blazer
Mark Fesmire
Division Director
Oil Conservation Division



October 6, 2010

Administrative Order DHC-4324
Application Reference Number: pTGW1027049412

EOG Resources, Inc.
Attn: Mr. Stan Wagner
P.O. Box 2267
Midland, TX 79702

Re: Qurecho Federal Well No. 2
API No. 30-025-30485

Pool: South Corbin; Bone Spring (13160)
South Corbin; Wolfcamp (13320)

Dear Mr. Wagner:

Reference is made to your application for an exception to Division Rule 12.9A. to permit down hole commingling of production from the subject pools within the above-described 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.

In accordance with Division Rule 12.11A.(6), 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:

Pool: South Corbin Bone Spring	Pct Gas: 30%	Pct Oil: 40%
Pool: South Corbin Wolfcamp	Pct Gas: 70%	Pct Oil: 60%

Oil Conservation Division
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It is our understanding that the above allocation percentages are based on production tests

It is also understood that ownership of all interests in the pools from which production is being commingled is identical.

This approval is conditional upon approval by the United States Bureau of Land Management prior to commencement of commingling.

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

Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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.
Acting Director

MEF/db

cc: Oil Conservation Division – Hobbs
United States Bureau of Land Management