

Bill Richardson

Governor

Jim Noel Cabinet Secretary

Karen W. Garcia Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



December 15, 2010

Administrative Order DHC-4337 Application Reference Number: pTGW1034056709

Burlington Resources Oil & Gas Company LP Attn: Ms. Crystal Tafoya

Re:

Howell M Well No.1

API No. 30-045-09101

Pools:

Basin Fruitland Coal (Gas)

71629

Blanco Pictured Cliffs (Gas)

72359

Blanco Mesaverde (Prorated Gas)

72319

Dear Ms. Tafoya:

Reference is made to your application for an exception to Division Rule 12.9.A 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 12.11.A., and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described.

In accordance with Division Rule 12.11.A(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: Basin Fruitland Coal Gas	Pct Gas:	Pct Oil:
	To be supplied	To be supplied
Pool: Blanco Pictured Cliffs Gas	Pct Gas:	Pct Oil:
	To be supplied	To be supplied
Pool: Blanco Mesaverde Prorated Gas	Pct Gas:	Pct Oil:
	To be supplied	To be supplied



It is our understanding that allocation percentages will be determined from volumetric calculations after the workover has been completed. The production allocation percentages of oil and gas between these pools shall be reported to the Division's Santa Fe office within 60 days following completion of this well.

It is also understood that notice of this application for down-hole commingling was sent by certified mail to each interest owner in this well at least 20 days before this application was filed, and no owner has notified applicant of any objection thereto.

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Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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