

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT RECEIVED

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

JUN 1 1 2005

MIDLAND

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3156

Pogo Producing Company P.O. Box 10340 Midland, Texas 79702-7340

Attention: Mark Kelley

Harroun 15 Well No. 4 API No. 30-015-29309

Unit I, Section 15, Township 24 South, Range 29 East, NMPM,

Eddy County, New Mexico

Cedar Canyon-Delaware (Oil 11540), and East Pierce Crossing-Bone Spring (Oil 96473)

Dear Mr. Kelley:

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 and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.(1), each of the commingled oil pools shall be allowed to produce up to the top oil allowable and top casing head gas allowable applicable for that pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis unless modified with permission of the Artesia District Office and copied to this office.

Cedar Canyon-Delaware Oil Pool	Oil-22%	Gas-15%
East Pierce Crossing-Bone Spring Oil Pool	Oil-78%	Gas-85%

REMARKS: The operator shall notify the Artesia District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 6th day of June 2003.

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

LORI WROTENBERÝ

Division Director

LW/wvjj

cc: Oil Conservation Division - Artesia