In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 20 barrels per day, and total water production from the well shall not exceed 40 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the Cave Grayburg San Andres Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Grayburg-San Andres Pool: Oil 35%, Gas 76% Queen-Grayburg Pool: Oil 65%, Gas 24%

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

DHC -632 Appr. 12-1-86

Very truly yours,

R. L. STAME Director

MADE IN U.S.A.

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11-21-86 DL-M-SFL 320-10,545 CN-LD Suf-10,538