OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

## ADMINISTRATIVE ORDER DHC-2715

Devon Energy Corporation (Nevada) 20 North Broadway Suite 1500 Oklahoma City, Oklahoma 73102-8260

Attention: Ms. Tonja Rutelonis

Kite "51" Federal No. 2

API No. 30-015-29067

Unit I, Section 5, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

Red Lake Queen-Grayburg-San Andres (Oil - 51300) and Red Lake Glorieta-Yeso (Oil - 51120) Pools

## Dear Ms. Rutelonis:

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., the daily allowable producing rates from the well are hereby established as follows:

Oil 80 B/D

Gas 160 MCFG/D

Water 160 B/D

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

Red Lake Queen-Grayburg-San Andres Pool	Oil-48%	Gas-67%
Red Lake Glorieta-Yeso Pool	Oil-52%	Gas-33%