



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

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

**ADMINISTRATIVE ORDER DHC-2585**

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

Attention: Ms. Tonja Rutelonis

*Kaiser No. 1  
API No. 30-015-30681  
Unit A, Section 18, 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:

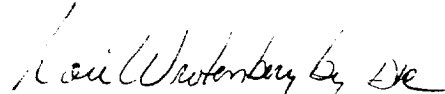
|   |         |         |
|---|---------|---------|
| Red Lake Queen-Grayburg-San Andres Pool | Oil-55% | Gas-30% |
| Red Lake Glorieta-Yeso Pool             | Oil-45% | Gas-70% |

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

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 4th day of January, 2000.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



LORI WROTENBERY  
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Artesia ✓