

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor

Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3013

Devon Energy Production Company, L.P. 20 N. Broadway Suite 1500 Oklahoma City, Oklahoma 73102

Attention: Ms. Karen Cottom

Southern Cross 22 Fed Com Well No. 2 API No. 30-015-31475 Unit I, Section 22, Township 18 South, Range 24 East, NMPM, Eddy County, New Mexico. Penasco Draw-Permo Penn (Gas - 82775), and North Antelope Sink-Morrow (Gas - 70480) Pools

Dear Ms. Cottom:

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.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's Gas Proration Schedule.