



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3283

Doyle Hartman
500 N. Main Street
Midland, Texas 79701

Attention: Mr. Steve Hartman

*Mexico "E" Com Well No. 5 (Formerly Hobbs "L" No. 2)
API No. 30-025-09228
Unit O, Section 2, Township 23 South, Range 36 East, NMPM,
Lea County, New Mexico
Jalmat (Tansill-Yates-Seven Rivers) (Gas - 79240) and
Langlie-Mattix (Seven Rivers-Queen-Grayburg) (Oil - 37240) Pools*

Dear Mr. Hartman:

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 or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be as follows. These percentages shall be amended only with permission of the Hobbs District Office and copied in writing to the Division office in Santa Fe.

Jalmat (Tansill-Yates-Seven Rivers) Pool	Oil-N/A	Gas-92%
Langlie-Mattix (Seven Rivers-Queen-Grayburg) Pool	Oil-N/A	Gas-8%

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

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 14th day of May 2004.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "David Catanach", with a long horizontal flourish extending to the right.

DAVID CATANACH
Engineer/Examiner

cc: Oil Conservation Division – Hobbs
State Land Office-Oil & Gas Division