



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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SANTA FE, NEW MEXICO 87504
(505) 827-5800

AMENDED ADMINISTRATIVE ORDER DHC-272

Sun Exploration and Production Company
P.O. Box 1861
Midland, TX 79702-9970

Attention: Bruce Goodwin

Walter Lynch Well No. 2
Unit L, Section 1, Township 22 South, Range 37 East,
NMPM, Lea County, New Mexico.
Paddock, South Brunson Drinkard-Abo, Wantz-Granite
Wash and South Eunice San Andres Pools

Dear Mr. Goodwin:

Reference is made to your recent application for an amendment to Administrative Order No. DHC-272, dated February 9, 1979, which authorized the downhole commingling of production from the Drinkard and Wantz Granite Wash pools in the wellbore, to permit the addition two zones of production to be commingled in the wellbore.

It appearing that the subject well qualifies for approval for such amendment pursuant to the provisions at 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.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by the top unit allowable for the Paddock Pool.

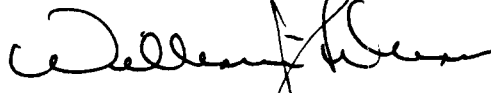
In accordance with the provisions of Rule 303-C, the supervisor of the Hobbs District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

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Approved at Santa Fe, New Mexico on this 7th day of June, 1989.

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WILLIAM J. LEMAY
Director

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