



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

AMENDED ADMINISTRATIVE ORDER DHC-327

Hanson Operating Company, Inc.
P.O. Box 1515
Roswell, NM 88202-1515

Attention: David Sweeney

*Max Gutman Well No. 5
Unit N, Section 19, Township 22 South, Range 38 East,
NMPM, Lea County, New Mexico.
Drinkard, Granite Wash and Blinebry Oil and Gas Pools*

Dear Mr. Sweeney:

Reference is made to your recent application for an amendment to Administrative Order DHC-327, dated October 3, 1980, which authorized the downhole commingling of production from the Drinkard and Wantz Granite Wash pools in the wellbore, to permit the addition of a third zone of production to be commingled in the wellbore.

It appearing that the subject well qualifies for approval for such amendment 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.

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 from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily shall be determined by multiplying 2000 by the top unit allowable for the Wantz Granite Wash Pool.

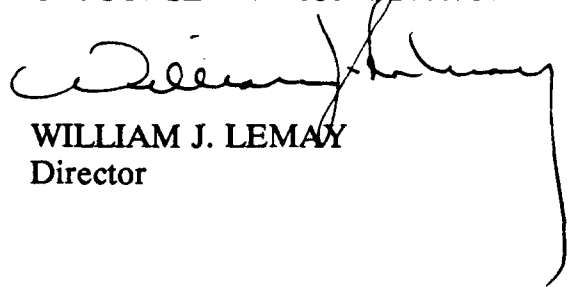
Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Blinebry Pool:	Oil	30%,	Gas	96%
Drinkard Pool:	Oil	18%,	Gas	3%
Granite Wash:	Oil	52%,	Gas	1%.

*Amended Administrative Order DHC-327
Hanson Operating Company, Inc.
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Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

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A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the printed name and title. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

WILLIAM J. LEMAY
Director