



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

April 24, 1981

Post Petroleum Company, Inc.
Suite 1000 - Colcord Building
15 North Robinson
Oklahoma City, Oklahoma 73102

Re: Administrative Order No. DHC-334
Llano 31 Federal No. 1,
1980' FNL and 1980' FWL Section
31, Township 20 South, Range
39 East, East Terry Blinebry and
D-K Abo Oil Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the well-bore.

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.

In accordance with the provisions of Rule 303-C, 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 from the well shall be determined by multiplying 2000 by top unit allowable for the D-K Abo Pool.

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

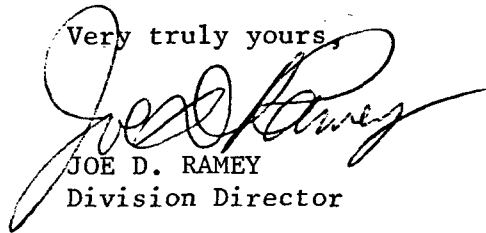
Upper Pool:	56%	Oil
Lower Pool:	44%	Oil

-2-

DHC-334

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Joe D. Ramey", is written over the typed name and title. The signature is fluid and cursive, with a large initial "J" and "R".

JOE D. RAMEY
Division Director

JDR/LC/og

cc: Oil Conservation Division -
Box 1980
Hobbs, New Mexico