

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

June 27, 1984

Amended Administrative Order No. DHC-350

J. R. Cone P.O. Box 10217 Lubbock, Texas 79417

Attention: J. R. Cone

Re: J. R. Cone #2 Anderson
Unit I, Sec. 21, T-21S, R-37E,
Drinkard, Wantz Abo, and Hare
Simpson Pools, Lea County, New
Mexico

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle the production from the Drinkard, Wantz Abo and Hare Simpson 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.

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 from the well shall be determined by multiplying 2,000 by top unit allowable for the Hare Simpson Pool.

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

Drinkard Pool: Oil 8 %, Gas 20 % Wantz Abo Pool: Oil 13 %, Gas 6 % Hare Simpson Pool: Oil 79 % Gas 74 %

NOTE: This Administrative Order has been amended to include the Hare Simpson Pool. Authorization to include this pool is contingent on the well meeting commingling requirements. Should these requirements not be met, commingling authority granted by this Order will be automatically rescinded and a Division Examiner Hearing will be required if commingling of said pool is to be pursued futher. A temporary allocation of production has been assigned to the well. When stabilized production from the Hare Simpson Pool has been determined, submit a revised allocation formula to the Division and district offices. Also include the total oil production from the well and pressure data from the newly commingled zone.

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

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JOE D. RAMEY, Division Director