



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



1935 - 1985

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February 21, 1986

Administrative Order No. DHC-595

Harper Oil Company
Hightower Building
Suite 900
105 North Hudson
Oklahoma City, Oklahoma 73102-4803

Attention: David L. Johnson

Re: South Dallas No. 1, Unit F, Sec. 2,
T-10-S, R-26-E, NMPM, Chaves County
Wildcat Penn and Abo Pools

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 both 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 and required separation of the two zones is hereby placed in abeyance.

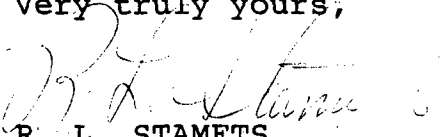
In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations, or in the case of non-prorated gas pools, the maximum allowable shall be subject only to market demand.

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

Abo Pool: Condensate 50%, Gas 85%
Penn Pool: Condensate 50%, Gas 15%

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,


R. L. STAMETS,
Director

cc: Gas Co. of N.M.
OCD District Office - Artesia