STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR ANITA LOCKWOOD CABINET SECRETARY POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

ADMINISTRATIVE ORDER DHC-955

Texaco Exploration & Production, Inc. 3300 North Butler Avenue Farmington, NM 87401

Attention: Ted A. Tipton

L.L. McConnell Well No. 1 Unit N, Section 30, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. Blanco Mesaverde Gas and West Lindrith Gallup-Dakota Pools

Dear Mr. Tipton:

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 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, the supervisor of the District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Administrative Order DHC-955 Texaco Exploration and Production, Inc. December 8, 1993 Page 2

Approved at Santa Fe, New Mexico on this 8th day of December, 1993.

STATE OF NEW MEXICO OIL CONSERVATION/DIVISION

WILLIAM J. LEMAY

Director

SEAL

WJL/BES/amg

cc: Oil Conservation Division - Aztec

Oil Conservation Division - Data Processing