



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-1298
1st Amendment

Conoco, Inc.
10 Desta Drive, Suite 100W
Midland, Texas 79705-4500

Attention: Ms. Kay Maddox

*Daum 'LS' Well No.4
Unit B, Section 32, Township 28 North, Range 9 West, NMPM,
San Juan County, New Mexico.
Aztec Pictured Cliffs (Gas - 71280) and
Blanco Mesaverde (Gas - 72319) Pools*

Dear Ms. Maddox:

Reference is made to your recent application for an amendment to Division Order No. DHC-1298 dated July 17, 1996, to amend the original allocation percentages between the Aztec-Pictured Cliffs and Blanco-Mesaverde Gas Pools.

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 and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

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

Aztec Pictured Cliffs Pool	Oil 0%	Gas 43%
Blanco Mesaverde Pool	Oil 100%	Gas 57%

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

Administrative Order DHC-1298

1st Amendment

Conoco, Inc.

March 3, 1999

Page 2

Pursuant to Rule 303.H., the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 3rd day of March, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director

S E A L

LW/MWA/kv

cc: Oil Conservation Division - Aztec
Bureau of Land Management-Farmington