

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



Administrative Order DHC-4731

Order Date: January 29, 2015

Application Reference Number: pMAM1436348763

Caza Operating, LLC  
200 North Lorraine, Suite 1550  
Midland, Texas 79701

Attention: Mr. James Bruce

Mud Slide Slim 15 Federal Well No. 1  
API No. 30-025-38469  
Unit F, Section 15, Township 20 South, Range 34 East, NMPM  
Lea County, New Mexico

Pool	LEA;DELAWARE, NORTHEAST	Oil	(37584)
Names:	LEA;BONE SPRING	Oil	(37570)

Reference is made to your recent application for an exception to Division Rule 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since 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 or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division Rule 19.15.12.11A. (6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the subject well shall be based on the analysis of the historical production from the Lea; Delaware, Northeast, and Lea; Bone Spring formations.

Assignment of allowable and allocation of production from the well shall be as follows:

LEA;DELAWARE, NORTHEAST	Pct Oil: 40	Pct. Gas: 20
LEA;BONE SPRING	Pct Oil: 60	Pct. Gas: 80

It is also understood that you have given due notice of this application, as defined in Division Rule 19.15.4.12A. (6) NMAC, to all owners of interest when ownership is not common for the commingled zones within the spacing unit.

REMARKS: The operator shall notify the Hobbs District office prior to implementation of the commingling operations.

Pursuant to Division Rule 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



David R. Catanach  
Director

DC/mam

cc: Oil Conservation Division – Hobbs District Office  
Bureau of Land Management – Carlsbad