State of New Mexico Energy, Minerals and Natural Resources Department

David R. Catanach, Division Director

Susana Martinez

Governor

David Martin
Cabinet Secretary

Deputy Cabinet Secretary

Cabinet Secretary Oil Conservation Division
Brett F. Woods, Ph.D,



Administrative Order DHC-4771

Order Date: July 30, 2015

Application Reference Number: pMAM1521058637

Breitburn Operating LP 1401 McKinney Street, Suite 2400 Houston, Tx. 77010

Attention: Ms. Shelly Doescher

Encore M State Well No. 10 API No. 30-025-41061

Unit M, Section 17, Township 22 South, Range 37 East NMPM

Lea County, New Mexico

Pool BLINEBRY OIL AND GAS (OIL) Oil (6660)
Names: DRINKARD Oil (19190)
WANTZ; ABO Oil (62700)

TUBB OIL AND GAS (OIL) Oil (60240)

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 oil production from the subject well shall be based on the analysis of the historical production from surrounding wells in the same pools.

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

BLINEBRY OIL AND GAS (OIL) POOL	Pct. Oil: 25	Pct. Gas: 25
TUBB OIL AND GAS (OIL) POOL	Pct. Oil: 25	Pct. Gas: 25
DRINKARD POOL	Pct. Oil: 25	Pct. Gas: 25
WANTZ; ABO POOL	Pct. Oil: 25	Pct. Gas: 25

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12A.(6), is not required since the interest ownership between the zones to be commingled is common throughout.

REMARKS: The operator shall notify the Division's District I office upon implementation of commingling operations.

This Order is subject to like approval from the New Mexico State Land Office.

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

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs

New Mexico State Land Office – Oil, Gas, and Minerals