

ADMINISTRATIVE ORDER DHC-1401

Texaco Exploration & Production Inc. 205 E. Bender Blvd. Hobbs, New Mexico 88240

Attention: Mr. Britton M. McQuien

C.H. Weir "B" Well No. 8 API No. 30-025-29731 Unit A, Section 11, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico. Skaggs-Drinkard (57000) and Monument-Tubb (47090) Pools

Dear Mr. McQuien:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject 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 zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C., the daily allowable producing rates from the subject well are hereby established as follows:

Oil 222 B/D Gas 2220 MCF/D Water 444 B/D

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

Skaggs-Drinkard Pool	Oil 73%	Gas 46%
Monument-Tubb Pool	Oil 27%	Gas 54%

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

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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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 20th day of November, 1996.

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STATE OF NEW MEXICO OIL CONSERVATION DIVISION 00 WILLIAM J/LEMAY Director

SEAL

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cc: Oil Conservation Division - Hobbs State Land Office-Oil & Gas Div.