



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-1970

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

Mr. Britton M. McQuien

*L. R. Kershaw No. 12
API No. 30-025-29493
Unit C, Section 13, Township 20 South, Range 37 East, NMPM,
Lea County, New Mexico.
Skaggs-Drinkard (Oil-57000) and,
East Weir-Blinebry (Oil-63800) 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 107 B/D

Gas 1070 MCF/D

Water 214 B/D

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

East Weir-Blinebry Pool	Oil 67%	Gas 27%
Skaggs-Drinkard Pool	Oil 33%	Gas 73%

Administrative Order DHC-1970
Texaco Exploration & Production Inc.
June 11, 1998
Page 2

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

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 11th day of June, 1998.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Hobbs