



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-2325

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

Attention: Ms. Denise Wann

*G. L. Erwin "B" NCT-2 No. 9
API No. 30-025-33384
Unit P, Section 35, Township 24 South, Range 37 East, NMPM,
Lea County, New Mexico.
Justis Tubb-Drinkard (Oil – 35280)/Justis-Blinebry (Oil – 35200) and
Justis-Glorieta (Prorated Gas – 79360) Pools*

Dear Ms Wann:

Reference is made to your recent application for an amendment to Division Order No. R-10371 which order authorized the downhole commingling of Justis Tubb-Drinkard and Justis-Blinebry Pool production within the wellbore, to add the Justis-Glorieta Gas Pool as a third commingled zone in the well.

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 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 gas pool as printed in the Division's Southeast Gas Proration Schedule.

The applicant shall consult with the supervisor of the Hobbs District Office of the Division upon completion and testing of the well in order to establish a fixed allocation of production from each of the commingled zones. Upon approval by the Division's Hobbs District Office, the applicant shall submit the allocation formula to the Santa Fe Office of the Division.


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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 7th day of May, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Hobbs
Bureau of Land Management-Carlsbad