



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3711

COG Operating LLC
550 W. Texas
Suite 1300
Midland, TX 79701

Attention: Jerry Sherrell - Mack Energy Corporation

White Star Federal
Wells No. 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26
Section 29, Township 17 South, Range 29 East, NMPM,
Eddy County, New Mexico
East Empire-Yeso (96610) Pool, and the
Grayburg Jackson-SR Q G SA Oil Pool (28509) Pool

Dear Mr. Sherrell:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the following-described wells to commingle production from the subject pools in the wellbores.

White Star Federal lease (NM-14840)

Section 29, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico

Lease	Well Num	API Number Spacing		Shallow Pool	Deepest Pool
		30-015-	Unit		
White Star Federal	4	30306	Unit G	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	5	30356	Unit G	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	7	30813	Unit D	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	8	30707	Unit C	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	9	30694	Unit B	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	10	30697	Unit A	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	11	30927	Unit D	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	12	30928	Unit C	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	13	30929	Unit B	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	14	30931	Unit A	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	15	31532	Unit D	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	16	31890	Unit G	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso

White Star Federal	17	31893	Unit G	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	20	32247	Unit A	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	21	NA	Unit B	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	22	32250	Unit A	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	23	32356	Unit C	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	24	32339	Unit D	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	25	32509	Unit C	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso
White Star Federal	26	32531	Unit D	Grayburg Jackson-SR Q G SA Oil	East Empire-Yeso

It appearing that the subject wells 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 Orders which authorized the dual completions or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within these wells shall not exceed the allowable applicable to that pool.

It is our understanding that interests are identical within each of these two pools and identical between pools. Assignment of allowable and production to the wells and to the lease shall be done after testing of all intervals to be commingled. The Division in Santa Fe shall be notified in writing of allocation percentages or the method of allocation. Thereafter, additional changes to the allocation shall be done only with permission of the Division.

REMARKS: The operator shall notify the Artesia District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), 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 May 22, 2006.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Artesia
Bureau of Land Management - Carlsbad