

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-2844

Mewbourne Oil Company P.O. Box 7698 Tyler, Texas 75711

Attention: Ms. Sue Hearon

Empire "25" State No. 1 API No. 30-015-31140 Unit G, Section 25, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico Undesignated Empire-Atoka (Gas – 76375) and South Empire-Morrow (Gas – 76400) Pools

Dear Ms. Hearon:

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.

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

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

Undesignated Empire-Atoka Gas Pool	Oil-100%	Gas-90%
South Empire-Morrow Gas Pool	Oil-0%	Gas-10%

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

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 this 12th day of October, 2000.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBERY

Director

SEAL

LW/DRC

cc: Oil Conservation Division - Artesia

State Land Office-Oil & Gas Division