

## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor BETTY RIVERA Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

## **ADMINISTRATIVE ORDER DHC-3030**

Conoco Inc. 10 Desta Drive Suite 100W Midland, Texas 79705

Attention: Ms. Kay Maddox

Warren Unit Well No. 148 API No. 30-025-35772 Unit M, Section 25, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico D-K-Abo (Oil – 15200), East Warren-Tubb (Oil – 87085), and Blinebry Oil and Gas (Oil – 6660) Pools.

Dear Ms Maddox:

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 well bore.

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.(1), each of the commingled pools shall be allowed to produce up to the top oil allowable and top casing head gas allowable applicable for that pool.

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Assignment of allowable to the well and allocation of production from the well shall be on the following basis: The total Tubb and Blinebry oil production shall begin in July, 2002, at 58 bopd with the Tubb allocated percentage being 65% and the Blinebry allocated percentage being 35%. The Abo oil production shall be based on a subtraction basis – total oil minus the Tubb and Blinebry oil equals the Abo oil. Gas production allocated for each formation shall be calculated based on the existing GOR of the total production stream times each formation's allocated oil.

REMARKS: The operator shall notify the Hobbs 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Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 17th day of July 2002.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

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LORI WROTENBERY Director

LW/WVJ

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