

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-3952 Application Reference Number: pTDS0727751784

BEPCO, LP PO BOX 2760, MIDLAND, TX 79702

Attention: Ann Moore, Production Clerk

REMUDA BASIN 25 STATE Well No. 001

API No: 30-015-35121

Unit I, Section 25, Township 23 South, Range 29 East, NMPM

Eddy County, New Mexico

Pool:

Undesignated NASH DRAW; ATOKA (GAS)

Gas 81560

Names:

NASH DRAW; MORROW (GAS)

Gas 81600

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 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 the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be as follows.

Undesignated NASH DRAW; ATOKA (GAS) Pool	Pet Gas: 7	Pct Oil: NA
NASH DRAW;MORROW (GAS) Pool	Pct Gas: 93	Pct-Oil: NA

These percentages shall be amended only with written 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Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Order approved at Santa Fe, New Mexico on 10/11/2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.

Director

cc: Oil Conservation Division – Artesia

State Land Office - Oil, Gas, and Minerals Division