



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order DHC-4043

Order Date: 7/24/2008

Application Reference Number: pKVR0816952863

BP AMERICA PRODUCTION COMPANY
PO BOX 3092
Houston, TX 77253

Attention: CHERRY HLAVA, REGULATORY ANALYST

TAPP LS Well No. 004
API No: 30-045-07412
Unit M, Section 16, Township 28 North, Range 8 West, NMPM
San Juan County, New Mexico

Pool:	BLANCO P. C. SOUTH (PRORATED GAS)	Gas 72439
Names:	BLANCO-MESAVERDE (PRORATED GAS)	Gas 72319
	OTERO CHACRA (GAS)	Gas 82329

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 done based on the subtraction method. The Chacra production shall be the balance after subtracting projected Mesaverde and Pictured Cliffs production, which shall each be determined from historical decline rates.

REMARKS: The operator shall notify the Division's district office 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Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", with a long horizontal flourish extending to the right.

MARK E. FESMIRE, ESQ. P.E.
Director

cc: Oil Conservation Division – Aztec
Bureau of Land Management - Farmington