



New Mexico Energy, Minerals and Natural Resources Department

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Deputy Cabinet Secretary

Mark Fesmire
Division Director

Oil Conservation Division



October 19, 2010

Administrative Order DHC-4326

Application Reference Number: pTGW1028751005

Burlington Resources Oil & Gas Company, LP
Attn: Ms. Crystal Tafoya
P.O. Box 4289
Farmington, NM 87499

**Re: Hancock Well No. 4
API No. 30-045-07262**

**Pools: Blanco Fruitland Sand (72280)
Basin Fruitland Coal (Gas) (71629)
Aztec Pictured Cliffs (Gas) (71280)**

Dear Ms Tafoya:

Reference is made to your application for an exception to Division Rule 12.9.A to permit down hole commingling of production from the subject pools within the above-described wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11.A., and that reservoir damage or waste will not result from such down hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described.

In accordance with Division Rule 12.11.A(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

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

Pool: Blanco Fruitland Sand	Pct Gas: To be supplied	Pct Oil: To be supplied
Pool: Basin Fruitland Coal	Pct Gas: To be supplied	Pct Oil: To be supplied
Pool: Aztec Pictured Cliffs	Pct Gas: To be supplied	Pct Oil: To be supplied

Oil Conservation Division

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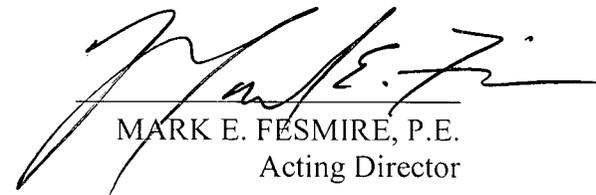
It is our understanding that allocation percentages will be determined from well tests after the well has been completed in all of the subject formations. The production allocation percentages of oil and gas between these pools shall be reported to the Division's Santa Fe office within 60 days following completion of this well.

It is also understood that ownership of all interest in the pools from which production is being commingled is identical.

This approval is conditional upon approval by the United States Bureau of Land Management prior to commencement of commingling.

The operator shall notify the Division's Aztec district office upon implementation of commingling operations.

Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



MARK E. FESMIRE, P.E.
Acting Director

MEF/db

cc: Oil Conservation Division – Aztec
United States Bureau of Land Management