## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



Administrative Order DHC-4827 Order Date: February 1, 2018 Application Reference Number: pMAM1801230131

BP AMERICA PRODUCTION COMPANY 737 North Eldridge Parkway Houston, Tx. 77079

Attention: Ms. Toya Colvin

Florance R Well No. 8A API No. 30-045-21789

Unit I, Section 14, Township 30 North, Range 9 West, NMPM

San Juan County, New Mexico

Pool BASIN FRUITLAND COAL (PRORATED GAS) Gas (71629) Names: BLANCO-MESAVERDE (PRORATED GAS) Gas (72319)

Reference is made to your recent application for an exception to Division Rule 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since 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 Rule 19.15.12.11A. (6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the subject well shall be based on the analysis of the historical production from the Basin Fruitland Coal (Gas) Pool and the Blanco-Mesaverde (Prorated Gas) pool.

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

BASIN FRUITLAND COAL (GAS) Pool	Pct Oil: 0	Pct Gas: 84
BLANCO-MESAVERDE (PRORATED GAS) Pool	Pct Oil: 100	Pct Gas: 16

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12 A (6), is not required since the interest ownership between the zones to be commingled is common throughout.

REMARKS: The operator shall notify the Aztec District office prior to implementation of the commingling operations.

This Order is subject to like approval from the Bureau of Land Management.

Pursuant to Division Rule 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division - Aztec District Office

Bureau of Land Management – Farmington

Well File - 30-045-21789