

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-4828
Order Date: February 26, 2018
Application Reference Number: pMAM1805258863

Grand Banks Energy Co.
10 Desta Drive
Suite 300E
Midland, TX 79705

Attention: Ms. Denise Jones

Anderson Ranch 10 State Well No. 1
API No: 30-025-28787
Unit A, Section 10, Township 16 South, Range 32 East, NMPM
Lea County, New Mexico

Pool	ANDERSON RANCH; WOLFCAMP	Oil (1900)
Names:	WC-025 G-05 S163210A; ABO	Oil (98269)

Reference is made to your recent application for an exception to 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 appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A. NMAC, 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 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 well shall be based on actual production rates from the Anderson Ranch; Wolfcamp Pool. The expected rates from the WC-025 G-05 S163210A; Abo is based on the petrophysical and engineering properties of an off-set analog.

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

ANDERSON RANCH; WOLFCAMP POOL	Pct Oil: 30	Pct Gas: 30
WC-025 G-05 S163210A; ABO POOL	Pct Oil: 70	Pct Gas: 70

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 Division's District I office upon implementation of commingling operations.

This Order is subject to like approval from the New Mexico State Land Office.

Pursuant to 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 – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals
Well File – 30-025-28787