BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3362

Mewbourne Oil Company P.O. Box 7698 Tyler, TX 75711

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DEC 3 2004

OOD-ARTESIA

Attention: Janet Burns

COLT 4 FEDERAL COM #001 API No. 30-015-33178 Unit F, Section 4, Township 20S, Range 29E, NMPM, EDDY County, New Mexico Undesignated East Burton Flat-Atoka Gas (73200), and East Burton Flat-Morrow Gas (73320) Pools

Dear Ms. Burns:

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 and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303C.(1), the maximum amount of oil and gas that may be produced from the well shall be determined by Division Rules and Regulations.

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

Undesignated East Burton Flat-Atoka Gas Pool	Oil-0%	· Gas-40%
East Burton Flat-Morrow Gas Pool	Oil-100%	Gas-60%

This commingle permit and these allocation 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Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on November 18, 2004.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E. **Division Director**

MEF/wvjj

Bureau of Land Management - Carlsbad

Oil Conservation Division - Artesia