

WRS COMPLETION REPORT

REISSUES SEC 34 TWP 16S RGE 34E
PI# 30-T-0004 10/13/86 30-025-29502-0000 PAGE 1

NMEX LEA *: 833FNL 660FWL SEC NW NW
STATE COUNTY FOOTAGE SPOT
YATES PET D DO
OPERATOR WELL CLASS INIT FIN
1 VACUUM NORTH "ADJ" STATE COM
WELL NO. LEASE NAME
4033KB 4009GR LEA CO UNDESIGNTD
OPER ELEV FIELD POOL AREA
API 30-025-29502-0000
LEASE TYPE NO. PERMIT OR WELL I.D. NO.

12/05/1985 04/17/1986 ROTARY OIL
SPUD DATE COMP. DATE TYPE TOOL STATUS
13300 ATOKA MCVAY DRLG 10 RIG SUB 23
PROJ. DEPTH PROJ. FORM CONTRACTOR
DTD 13200 PB 10917 FM/TD PNNSYLVN
DRILLERS T.D. LOG T.D. PLUG BACK TD OLD T.D. FORM T.D.

LOCATION DESCRIPTION

12 MI NE MALJAMAR, NM

WELL IDENTIFICATION/CHANGES

FTG CHGD FROM 660 FWL
FLD CHGD FROM KEMNITZ SOUTH
ELEV CHGD FROM 4091 GR
FTG CHGD FROM 660 FNL 833 FWL SEC

CASING/LINER DATA

CSG 20	@	40		01
CSG 13 3/8	@	538 W/	550 SACKS	02
CSG 8 5/8	@	4593 W/	1400 SACKS	03
CSG 5 1/2	@	13198 W/	1125 SACKS	06

TUBING DATA

TBG 2 7/8 AT 10741

INITIAL POTENTIAL

IPP 13BOPD 35BW 24HRS
PERM-PNN PERF W/ 25/IT 10185-10756 GROSS 007
PERF 10185-10756
GTY 38.0 GOR (TSTM)

CONTINUED IC# 300257058285

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Petroleum Information
CORPORATION

PI-WRS-GE
Form No. 157

REISSUES SEC 34 TWP 16S RGE 34E
 PI# 30-T-0004 10/13/86 30-025-29502-0000 PAGE 2

YATES PET D DO
 1 VACUUM NORTH "ADJ" STATE COM

TYPE	FORMATION	LTH	TOP	DEPTH/SUB	BSE	DEPTH/SUB
LOG	RUSTLER		1636	2397		
LOG	YATES		2870	1163		
LOG	QUEEN		3803	230		
LOG	SN ANDRS		4604	-571		
LOG	GLORIETA		6070	-2037		
LOG	TUBB		7324	-3291		
LOG	DRINKARD		7600	-3567		
LOG	ABO		8106	-4073		
LOG	WOLFCAMP		9816	-5783		
LOG	BOUGH		10704	-6671		
LOG	CISCO		11201	-7168		
LOG	STRAWN		11958	-7925		
LOG	ATOKA		12144	-8111		
LOG	MORROW		12642	-8609		
LOG	AUSTIN		13000	-8967		

FORMATION TEST DATA

DST 1 10553-10703 WOLFCAMP 004
 REC 7.0 FT FLUD 500.0 CC FLUD
 INIT OP 30M IFP 32 FFP 48
 FINAL OP 1H30M IFP 48 FFP 48 BHT 150F
 ISIP 96 1H FSIP 144 3H IHP 4853 FHP 4853
 SPL CHAM PRESS FINAL 3
 SPL REC .108 CFT GAS

DST 2 - PKRFLR 005

PRODUCTION TEST DATA

BOUGH PERF W/ 14/IT 10713-10756 GROSS 007
 PERF 10713-10722 10753-10756
 ACID 10713-10756 2500GALS
 15% NEFE
 WOLFCAMP PERF W/ 11/IT 10185-10195 008
 PERF 10185-10195
 ACID 10185-10195 1500GALS
 15% NEFE
 ACID 10185-10195 4500GALS
 20%

CONTINUED

REISSUES SEC 34 TWP 16S RGE 34E
PI# 30-T-0004 10/13/86 30-025-29502-0000 PAGE 3

YATES PET D DO
1 VACUUM NORTH "ADJ" STATE COM

PRODUCTION TEST DATA

PERF 10713-10756 GROSS 009
ACID 10713-10756 14000GALS
20%

LOGS AND SURVEYS /INTERVAL,TYPE/

LOGS CNL FDC DLL

DRILLING PROGRESS DETAILS

YATES PET
105 S 4TH ST
ARTESIA, NM 88210
505-748-1471
PROJ FM - ATOKA-MORROW
11/20 LOC/1985/
12/05 40 TD, MIRT
12/18 DRLG 5015
12/18 RESPUD 12/5/85 W/RT
12/23 DRLG 7560
12/30 DRLG 10701
01/08 DRLG 12665
01/15 13200 TD, LDDP
01/22 13200 TD, WOCT
01/29 13200 TD (TITE HOLE)
02/26 13200 TD (TITE HOLE)
03/19 13200 TD, PB 10917, PLG PKR
05/12 LOCAL CALL: MORROW CLASTICS 12832
TD REACHED 01/13/86 RIG REL 01/16/86
05/12 13200 TD, PB 10917
COMP 4/17/86, IPP 13 BO, 35 BWP, GTY 38,
GOR (TSTM)
PROD ZONE - PERMO-PENNSYLVANIAN
10185-10756
08/21 NO CORES, TWO DSTS RPTD
REISSUED TO CORRECT ADDRESS, PH NBR
& ADD DSTS
10/07 REPLACEMENT FOR CT ISSUED 5/12/86
REISSUED TO CORRECT FTG
REPLACEMENT FOR CT ISSUED 8/25/86



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

May 14, 1986

Mr. Richard L. Stamets
Division Director
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Request for Exception to Rule
303-A, Downhole Commingling

Dear Mr. Stamets:

We respectfully request your approval to commingle in the wellbore production from the South Upper Kemnitz Wolfcamp Pool and the Kemnitz Lower Wolfcamp Pool. The following information is submitted for your consideration in this matter:

- (1). Operator - Yates Petroleum Corp.
105 So. 4th St.
Artesia, New Mexico 88210
ATTN: Albert R. Stall, Engineer
- (2). Lease - Vacuum North ADJ St. No. 1
Unit D Sec. 34, T. 16S., R. 34E.
Lea County, New Mexico
State Oil and Gas Lease LG3562
- (3). A plat of the area (Exhibit A) shows the offset operators to the Vacuum North ADJ St. No. 1.
- (4). A daily schedule of commingled production (Exhibit B) is attached. This schedule reflects a combined production from both pools of approximately 3 barrels of oil per day. Prior to commingling, the lower zone (10713-10756') swab tested seven barrels of oil and one barrel of water on the last day of testing this zone. Similarly, the upper zone (10185-10195') tested one and one-half barrels of oil and two and one-half barrels of water on the last day of swab testing. The upper and lower zones were then retreated with 10,000 gallons and 14,000 gallons of acid, respectively. The well was placed on rod pump with both zones open and no further testing. Well completion was reported after several days of pump testing as 13 BOPD and gas too small to measure. A copy of N.M.O.C.D. Form C-105 is attached (Exhibit C).

Future production from both zones combined is expected to continue at an average of approximately three barrels of oil per day.

- (5). Bottomhole pressure of the lower zone was measured as 1684 psia after 73 hours shut-in time (Exhibit D). Bottomhole pressure of the upper zone was measured as 1951 psia after 72 hours shut-in time (Exhibit E). Both zones are being rod pumped so there should be no possibility of a cross flow between zones.
- (6). Fluid Characteristics - Kemnitz Lower Wolfcamp oil from this well is 34° API at 60°F. South Upper Kemnitz oil is 38° API at 60°F. Combined oil from both zones is 36° API at 60°F.
- (7). Value of products - Because the oil gravities are very similar, there is no reduction in the average price paid for the oil. Gas production from the well is too small to measure.
- (8). Allocation of production will be based on results of swab testing (refer to paragraph (4) above). On this basis, 82 percent of production will be attributed to the lower zone and 18 percent to the upper zone. Ownership interests are the same in both zones.
- (9). A certified return receipt letter has been sent on this date to the following offset operators to notify them of our intention to commingle the South Kemnitz Upper Wolfcamp and Kemnitz Lower Wolfcamp zones in this well. A copy of the letter is attached (Exhibit F).

Elk Oil Company
Security Natl. Bank Bldg.
Roswell, New Mexico 88201

Mobil Producing TX & NM, Inc.
P.O. Box 633
Midland, Texas 79702

Shell Western Expl.
P.O. Box 576
Houston, Texas 77001

Additionally, in view of the marginal nature of this well, we respectfully request assignment of a forty (40) acre proration unit as provided by Rules for the South Upper Kemnitz Wolfcamp Pool and Rule 104. Such assignment will avoid the added complication of nonstandard location that will occur if the well is spaced for eighty (80) acres as provided by Rules for the Kemnitz Lower Wolfcamp Pool. Ownership interests will not be effected.

Mr. Richard L. Stamets
Page -3-

Thank you for your consideration in this matter. If additional information is required, please call.

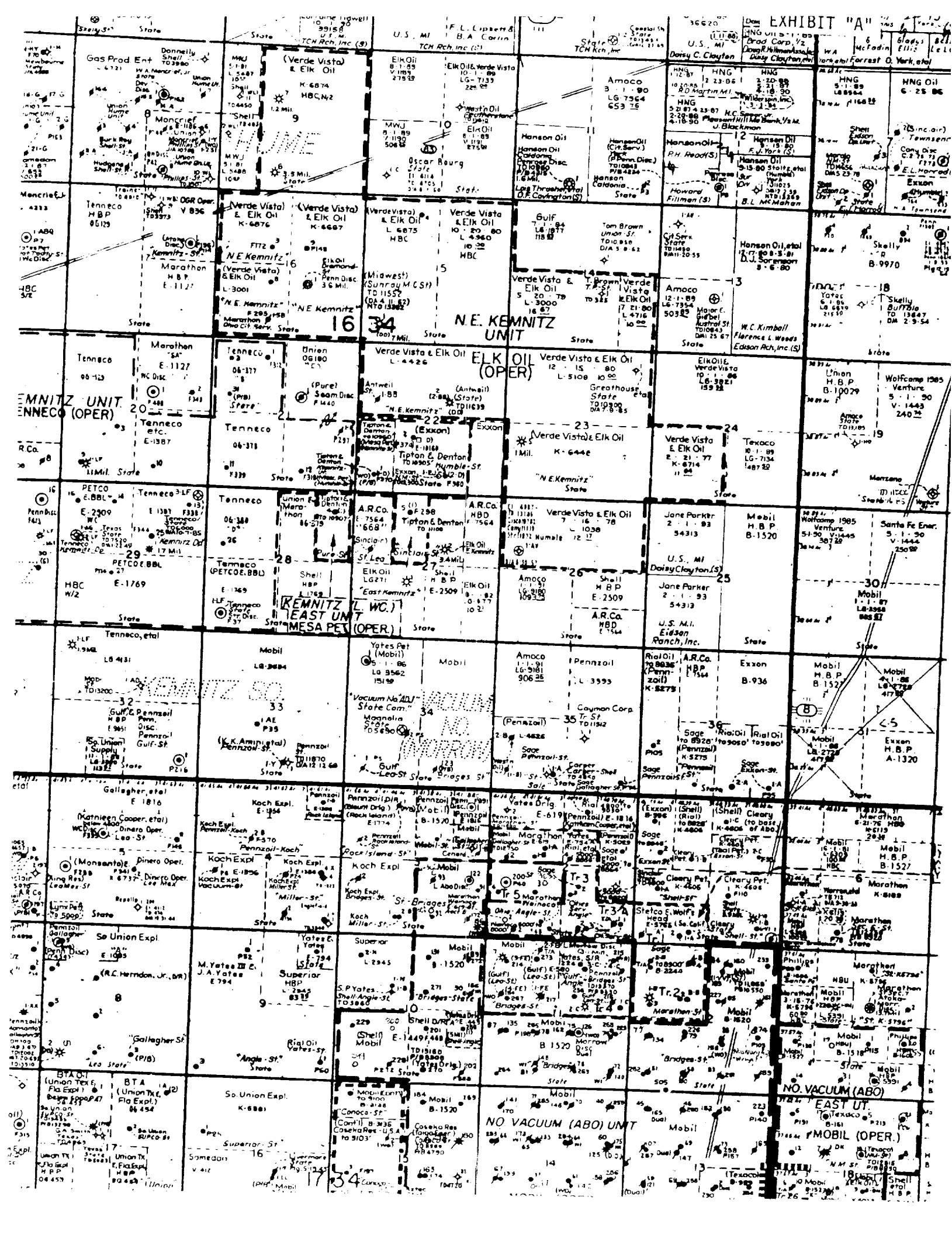
Sincerely,

A handwritten signature in cursive script that reads "Albert R. Stall".

Albert R. Stall
Engineer

Attachments

xc: NMOC-D-Hobbs
ATTN: Jerry Sexton



ENGR81

EXHIBIT "B"

DAI LY PRODUCTION SYSTEM
PRODUCTION DATA INQUIRY REPORT
LEASE - 55850 VACUUM NORTH ALJ ST COM
DATE RANGE 2/01/86 - 5/13/86

DATE	REPORTED OIL(HBLS)	CODE	REPORTED H2O(HBLS)	REMARKS	PUMPER
3/19/86	.00		10.00		15 ROB SIMPSON
3/20/86	6.00		22.00		15 ROB SIMPSON
3/21/86	5.00		20.00		15 ROB SIMPSON
3/22/86	7.00		13.00		15 ROB SIMPSON
3/23/86	6.00		13.00		15 ROB SIMPSON
3/24/86	6.00		16.00		15 ROB SIMPSON
3/25/86	5.00		13.00		15 ROB SIMPSON
3/26/86	6.00		14.00		15 ROB SIMPSON
3/27/86	4.00		11.00		15 ROB SIMPSON
3/28/86	4.00		12.00		15 ROB SIMPSON
3/29/86	.00		.00		15 ROB SIMPSON
3/30/86	.00		.00		15 ROB SIMPSON
3/31/86	14.04		.00		15 ROB SIMPSON
4/01/86	3.50		12.00		15 ROB SIMPSON
4/02/86	.00		12.00		15 ROB SIMPSON
4/03/86	3.50		10.00		15 ROB SIMPSON
4/04/86	3.50		10.00		15 ROB SIMPSON
4/05/86	3.50		9.00		15 ROB SIMPSON
4/06/86	4.66		10.00		15 ROB SIMPSON
4/07/86	3.50		9.00		15 ROB SIMPSON
4/08/86	2.33		.00		15 ROB SIMPSON
4/09/86	.00		.00		15 ROB SIMPSON
4/10/86	.00		.00		15 ROB SIMPSON
4/11/86	.00		.00		15 ROB SIMPSON
4/12/86	.00		.00		15 ROB SIMPSON
4/13/86	.00		.00		15 ROB SIMPSON
4/14/86	.00		.00		15 ROB SIMPSON
4/15/86	.00		.00		15 ROB SIMPSON
4/16/86	.00		.00		15 ROB SIMPSON
4/17/86	12.83		35.00		15 ROB SIMPSON
4/18/86	.00		.00		15 ROB SIMPSON
4/19/86	.00		.00		15 ROB SIMPSON
4/20/86	.00		.00		15 ROB SIMPSON
4/21/86	.00		.00		15 ROB SIMPSON
4/22/86	.00		.00		15 ROB SIMPSON
4/23/86	.00		.00		15 ROB SIMPSON
4/24/86	.00		.00		15 ROB SIMPSON

PRODUCTION DATA INQUIRY REPORT
LEASE - 55850 VACUUM NORTH ADJ ST COM
DATE RANGE 2/01/86 - 5/13/86

DATE	REPORTED OIL(BBLS)	CODE	REPORTED H2O(BBLS)	REMARKS	PUMPER
4/25/86	21.00		45.00		15 BOB SIMPSON
4/26/86	.00		.00		15 BOB SIMPSON
4/27/86	.00		.00		15 BOB SIMPSON
4/28/86	.00		.00		15 BOB SIMPSON
4/29/86	.00		.00		15 BOB SIMPSON
4/30/86	.00		.00		15 BOB SIMPSON
5/01/86	24.57		.00		15 BOB SIMPSON
5/02/86	.00		.00		15 BOB SIMPSON
5/03/86	.00		.00		15 BOB SIMPSON
5/04/86	.00		.00		15 BOB SIMPSON
5/05/86	.00		.00		15 BOB SIMPSON
5/06/86	.00		.00		15 BOB SIMPSON
5/07/86	.00		.00		15 BOB SIMPSON
5/08/86	.00		.00		15 BOB SIMPSON
5/09/86	.00		.00		15 BOB SIMPSON
5/10/86	.00		.00		15 BOB SIMPSON
5/11/86	.00		.00		15 BOB SIMPSON
** TOTAL	149.43		317.00		

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form L-105
Revised 10-1-78

EXHIBIT "C"

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease State ☒ Fee ☐
5. State Oil & Gas Lease No. LG 3562

1a. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐		7. Unit Agreement Name	
b. TYPE OF COMPLETION NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVN. ☐ OTHER ☐		8. Farm or Lease Name Vacuum North ADJ St. Com	
2. Name of Operator Yates Petroleum Corporation		9. Well No. 1	
3. Address of Operator 207 South 4th St., Artesia, NM 88210		10. Field and Pool, or Wildcat Indes. Permo Penn	
4. Location of Well UNIT LETTER <u>D</u> LOCATED <u>833</u> FEET FROM THE <u>North</u> LINE AND <u>660</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>34</u> TWP. <u>16S</u> RGE. <u>34E</u> NMPL		12. County Lea	
15. Date Spudded 12-1-85	16. Date T.D. Reached 1-13-86	17. Date Compl. (Ready to Prod.) 4-17-86	18. Elevations (DF, RKB, RT, GR, etc.) 4008.5' GR
23. Total Depth 13200'	21. Plug Back T.D. 10917'	22. If Multiple Compl., How Many	23. Intervals Drilled By Rotary Tools ☒ Cable Tools ☐
24. Producing Interval(s), of this completion - Top, Bottom, Name 10713-56'; 10185-95' Permo Penn			25. Was Directional Survey Made No
25. Type Electric and Other Logs Run CNL/FDC; DLL			27. Was Well Cored No

28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	61 & 54.5#	538'	17-1/2"	550 sx	
8-5/8"	32#	4593'	11"	1400 sx	
5-1/2"	17 & 20#	13198'	7-7/8"	1125 sx	

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	10741'	

31. Perforation Record (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
10185-95' w/11 .50" holes				DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
10713-56' w/14 .50" holes				10185-95'	w/1500g. 15% acid+4500g. Pad + 10000g. 20% acid.
				10713-56'	w/2500g. 15% acid+8500g. Pad + 14000g. 20% acid.

33. PRODUCTION							
Date First Production 3-20-86		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping				Well Status (Prod. or Shut-in) Producing	
Date of Test 4-17-86	Hours Tested 24	Choke Size -	Prod'n. For Test Period	Oil - bbl. 13	Gas - MCF TSTM	Water - bbl. 35	Gas-Oil Ratio -
Flow Tubing Press. -	Coning Pressure -	Calculated 24-Hour Rate	Oil - bbl. 13	Gas - MCF TSTM	Water - bbl. 35	Cell Gravity - API (Corr.) 36-38°	

34. Disposition of Gas (Sold, used for fuel, vented, etc.) TSTM	Test Witnessed By Norbert McCaw
--	------------------------------------

35. List of Attachments Deviation Survey, DST's
--

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED James Doodler TITLE Production Supervisor DATE 4-30-86



BENNETT-CATHEY WIRE LINE SERVICE

EXHIBIT "D"

P. O. BOX 787
ARTESIA, NEW MEXICO 88210
Phone (505) 746-3281



BOTTOM HOLE PRESSURE SURVEY REPORT

OPERATOR YATES PETROLEUM CORPORATION
LEASE NORTH VACUUM "ADJ" STATE COM
WELL NO. #1
POOL FORMATION KEMNITZ
DATE 02-20-86 TIME 1235 HRS
CO. MAN HARVEY APPLE
STATUS SHUT IN TEST DEPTH 10630 FEET
TIME S.I. 1125 HR LAST TEST DATE 1ST TEST
02-17-86 BHP LAST TEST
TUB. PRES. 630# BHP CHANGE
CAS. PRES. FLUID TOP 8100 FEET
DATUM PLANE WATER TOP 10570 FEET
DATUM PSIA 1684# RUN BY PETE HERNANDEZ
TEMP 172° CLOCK # 3443
PRESSURE RANGE 7250#
ELEMENT NO. RPG3# 46950

DEPTH	PSIA PRESSURE	LB/100FT GRADIENT
0	643.2	
3000	723.2	2.6
6000	810.2	2.9
9000	1129.2	10.6
10500	1583.2	30.3
10630	1641.2	44.6
10726	1684.2	44.7

10726 FEET IS EXTRAPOLATE
PERFORATION: 10705 TO 10748
LENGTH OF TIME WELL SHUT IN
73 HRS & 10 MIN
BHP MEASURED AT 1235 HRS. 2-20-86

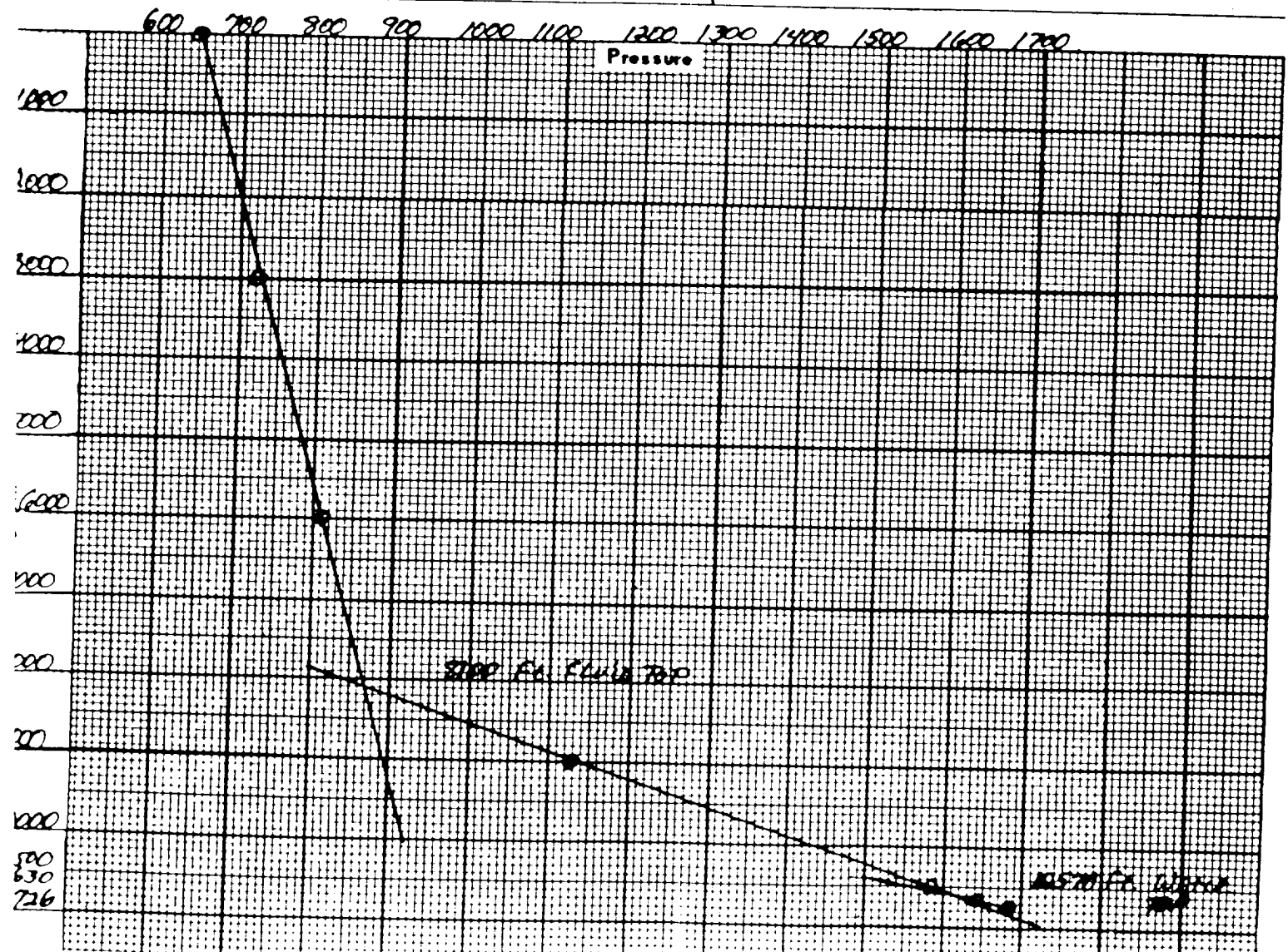
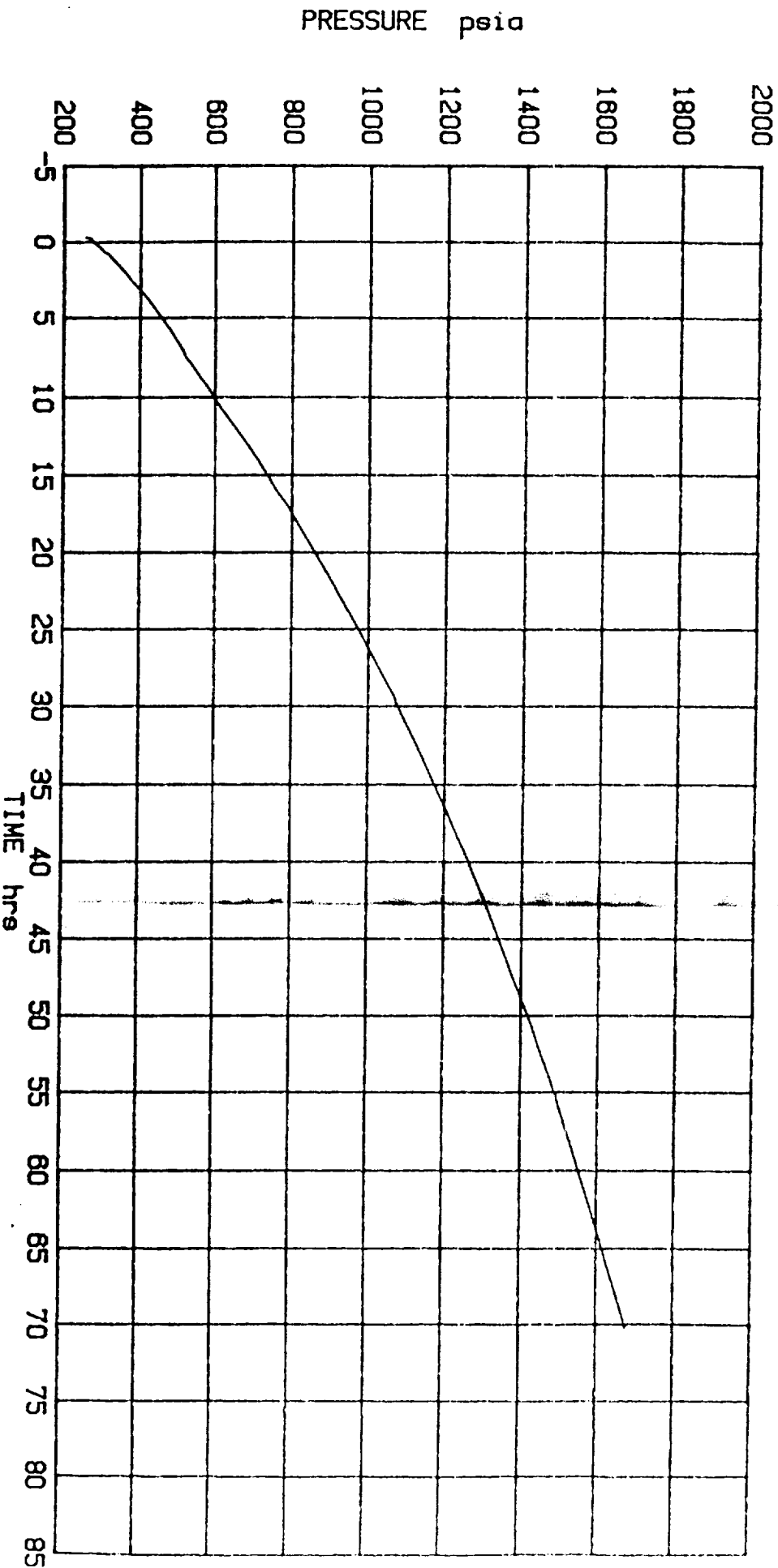


EXHIBIT "D" Pg. 2
TEST DATE, 02/17/86 TO 02/20/86
TEST DEPTH, 10630 ft
ELEMENT NO, RPC3#46950
RANGE, 7250 psi g
CLOCK, 27193
RANGE, 72 hrs
OPERATOR, BO FAULKENBERRY

HARVEY APPLE
YATES PETROLEUM CORPORATION
NORTH VACUUM "ADJ" STATE COM #1
BENNETT-CATHEY WIRE LINE SERVICE
Box 787 Artesia, N.M. 88210 (505) 748-3354





BENNETT-CATHEY WIRE LINE SERVICE

P. O. BOX 787

ARTESIA, NEW MEXICO 88210

Phone (505) 746-3281

EXHIBIT "E"



BOTTOM HOLE PRESSURE SURVEY REPORT

OPERATOR YATES PETROLEUM CORP.
LEASE NORTH MACUUM "ADJ"
WELL NO. 1
POOL FORMATION KEMNITZ
DATE 3-3-86 TIME 1357 HOURS
CO. MAN HARVEY APPLE
STATUS SHUT IN TEST DEPTH 10125'
TIME S.I. 1323 HRS LAST TEST DATE 2-17-86
2-28-86 BHP LAST TEST 1584
TUB. PRES. 1333.2 BHP CHANGE + 267
CAS. PRES. FLUID TOP 9420'
DATUM PLANE WATER TOP
DATUM PSIA 1951.2 RUN BY BO FAULKENBERRY
TEMP 180° CLOCK # 33842
PRESSURE RANGE 6950#
ELEMENT NO. RPG3#23972

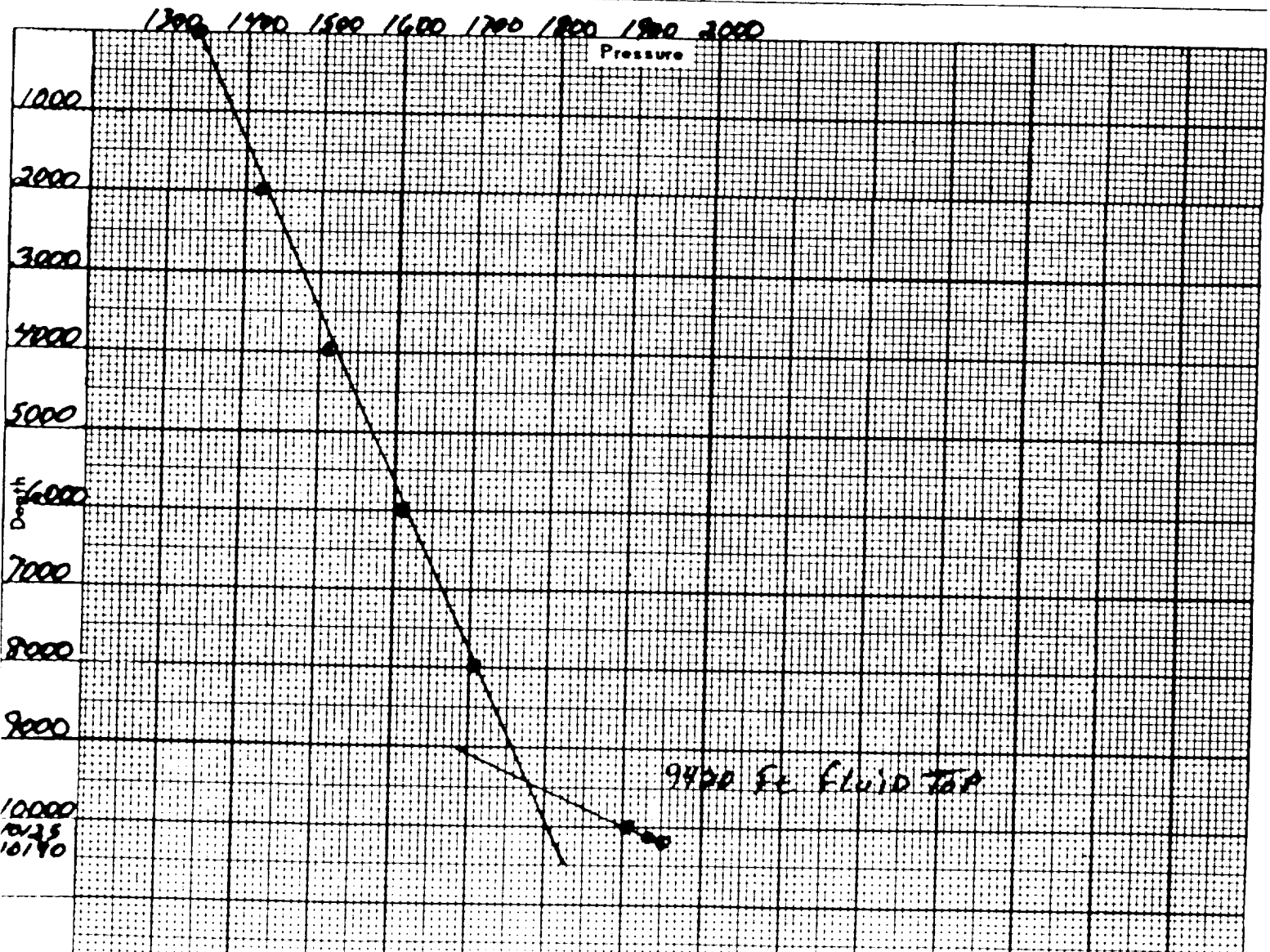
DEPTH	PSIA PRESSURE	LBS/100 FT GRADIENT
0	1333.2	
2000	1421.2	4.4
4000	1512.2	4.5
6000	1611.2	4.9
8000	1706.2	4.8
10000	1906.2	10.0
10125	1935.2	23.2
10190	1951.2	24.6

10190 FEET WAS EXTRAPOLATED

TIME B.H.P. MEASURED 1357 HOURS

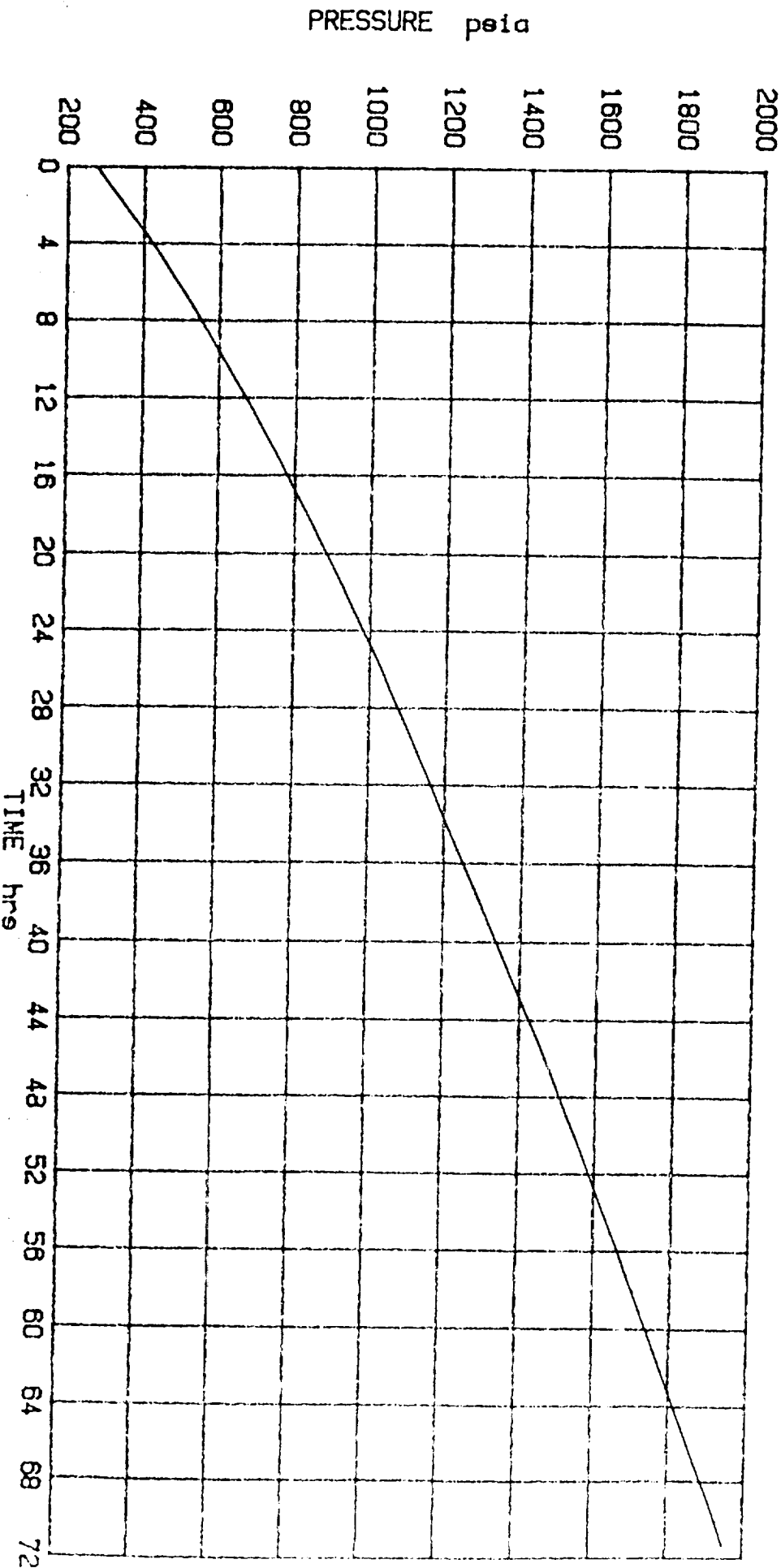
LENGTH OF TIME WELL SHUT IN
72 HRS 34 MINUTES

PERFORATIONS FROM 10185 TO 10195



TEST DATE: 02/28/88 TO 03/03/88
 TEST DEPTH: 10125 ft
 ELEMENT NO: RPC3#23972
 RANGE: 8950 psi
 CLOCK: 33842
 RANGE: 72 hrs
 OPERATOR: BO FAULKENBERRY

HARVEY APPLE
YATES PETROLEUM CORPORATION
NORTH VACUUM "ADJ" #1
BENNETT-CATHEY WIRE LINE SERVICE
Box 787 Artesia, N.M. 88210 (505) 748-3354





207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS

May 14, 1986

TO: All Offset Operators

RE: Vacuum North ADJ State No. 1
NW/NW Sec.34,T.16S.,R.34E.
Lea County, New Mexico
State Lease LG3562

Gentlemen:

Yates Petroleum Corporation is seeking approval to downhole commingle production from the South Upper Kemnitz Wolfcamp Pool and the Kemnitz Lower Wolfcamp Pool in our referenced well. The well is already completed in this manner pumping an average combined production of three barrels of oil per day. Before the New Mexico Oil Conservation Division can approve our application, all offset operators must be notified.

If no objections are submitted to the Oil Conservation Division within twenty (20) days, they may give authority for downhole commingling in the subject well. If you have any questions, please call.

Sincerely,

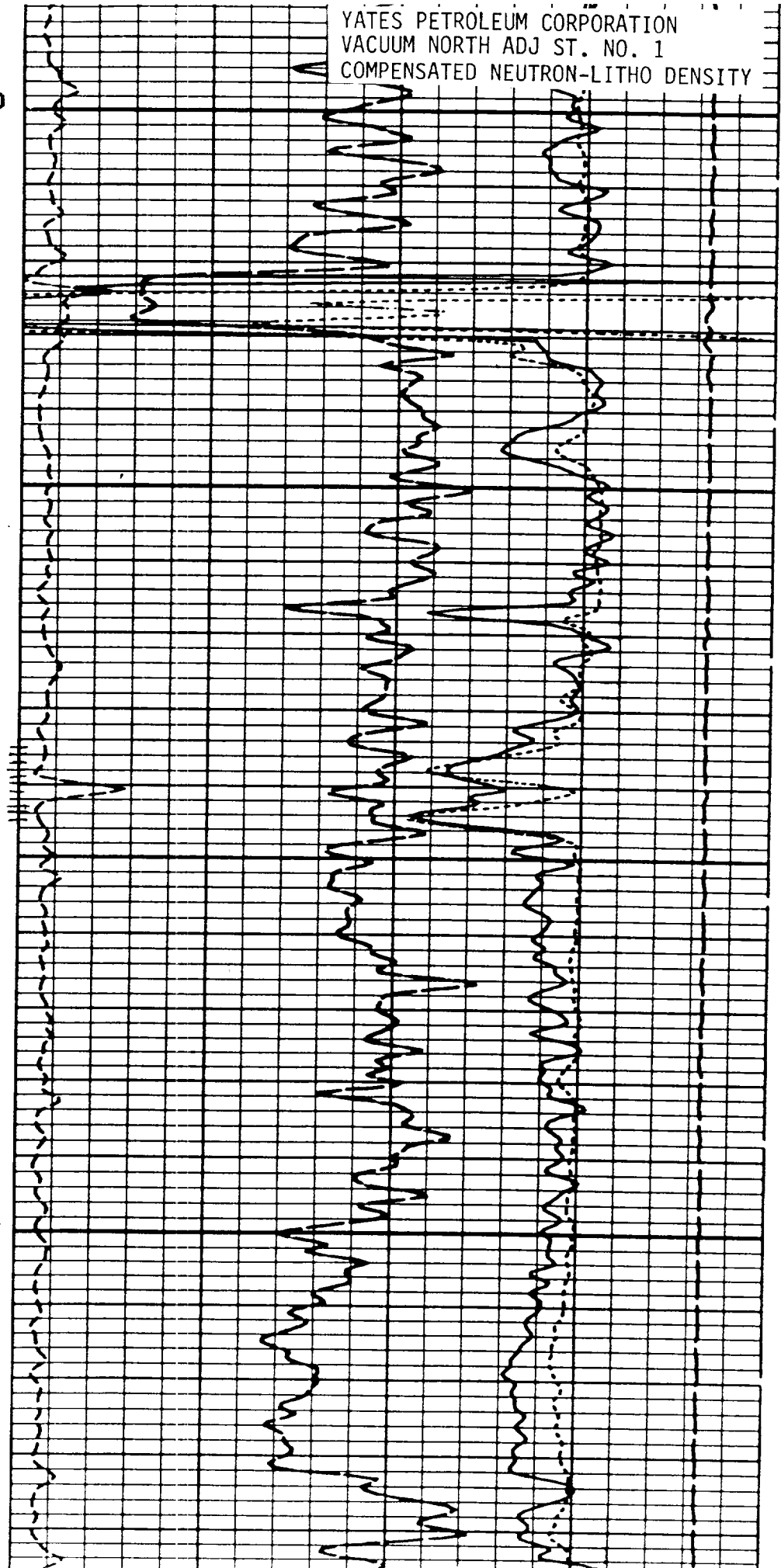
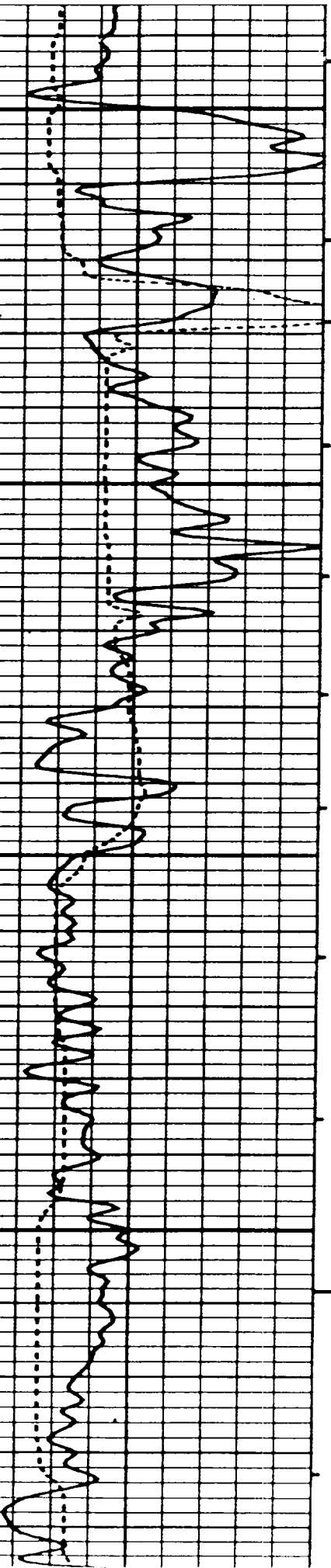
Albert R. Stall
Engineer

xc: NMOCD-Santa Fe
NMOCD-Hobbs

YATES PETROLEUM CORPORATION
VACUUM NORTH ADJ ST. NO. 1
COMPENSATED NEUTRON-LITHO DENSITY

10100

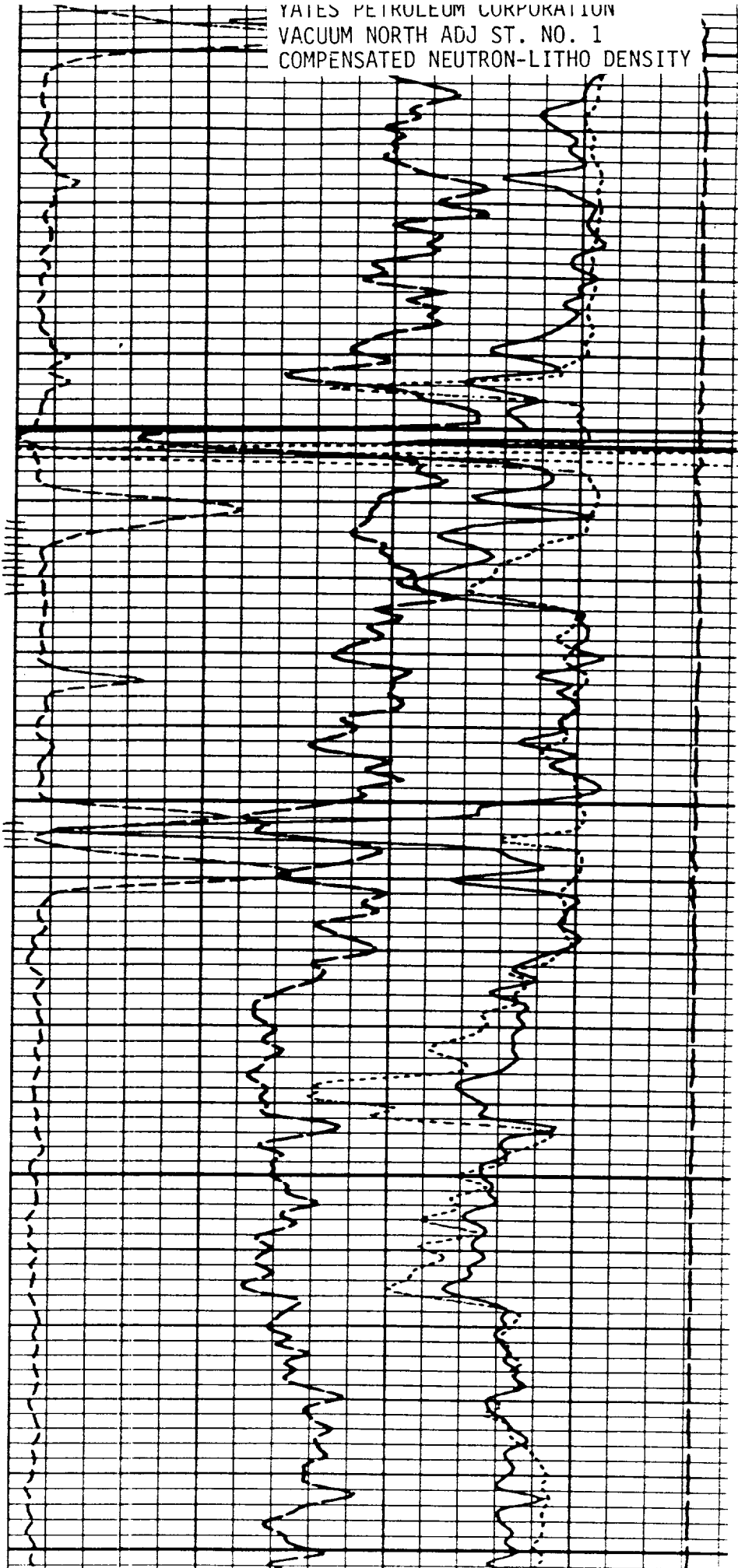
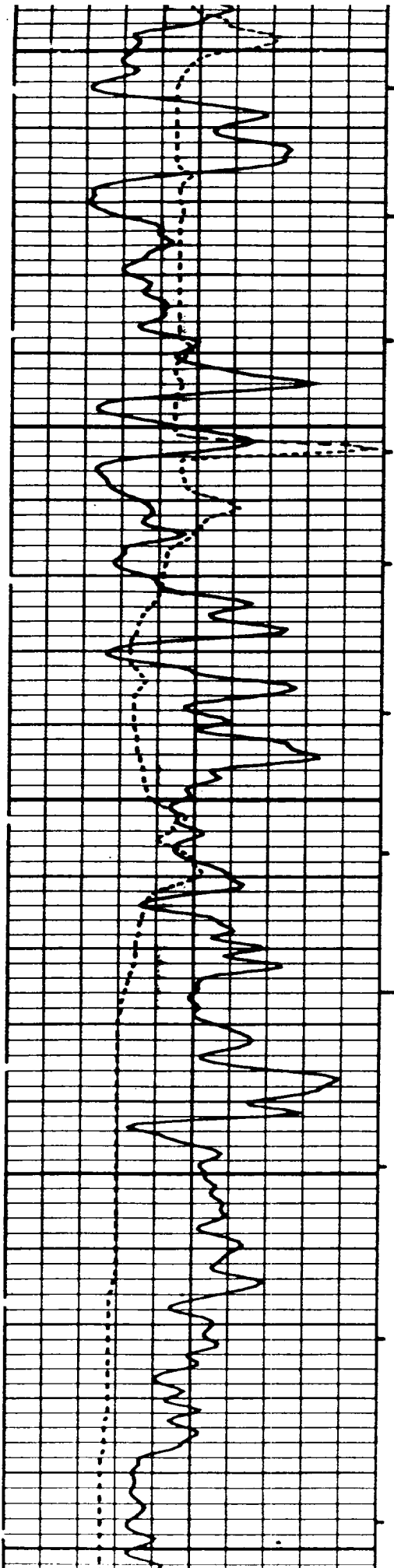
10200



YATES PETROLEUM CORPORATION
VACUUM NORTH ADJ ST. NO. 1
COMPENSATED NEUTRON-LITHO DENSITY

10700

10800





TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

June 9, 1986



1935 - 1985

POST OFFICE BOX 2028
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
505-827-5800

Administrative Order No. DHC-616

Yates Petroleum Corporation
207 South Fourth Street
Artesia, New Mexico 88210

Attention: A. R. Stall

Re: Vacuum North "ADJ" State No. 1 Well, Unit D,
Sec. 34, T-16 South, R-34 East, NMPM,
Lea County, New Mexico
South Upper Kemnitz Wolfcamp and Kemnitz Lower
Wolfcamp Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle the production from both 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 two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 80 barrels per day, and total water production from the well shall not exceed 160 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the South Upper Kemnitz Wolfcamp Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

S. Upper Wolfcamp Pool: Oil 18%, Gas 18%
Lower Wolfcamp Pool: Oil 82%, Gas 82%