NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

ADMINISTRATIVE ORDER DHC-2491

Texaco Exploration & Producing Inc. 205 East Bender Hobbs, New Mexico 88240

Attention: Ms. Denise Leake

New Mexico "M" State No. 9

API No. 30-025-32016

Unit C, Section 1, Township 18 South, Range 34 East, NMPM,
Lea County, New Mexico.

Vacuum-Blinebry (Oil – 61850) and

Vacuum-Drinkard (Oil – 62110) Pools

Dear Ms. Leake:

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 303.C., the daily allowable producing rates from the well are hereby established as follows:

Oil 142 B/D

Gas 284 MCF/D

Water 284 B/D

Production from the well shall be allocated as follows:

Vacuum-Blinebry Pool	Oil-41%	Gas-21%
Vacuum-Drinkard Pool	Oil-59%	Gas-79%

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REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 this 21st day of October, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Loui Westenbory by DC

Director

SEAL

LW/DRC

cc: Oil Conservation Division – Hobbs

State Land Office-Oil & Gas Division