

Cabinet Secretary

NEV. MEXICO ENERGY, MIN. RALS and NATURAL RESOURCES DEPARTMENT

Lori Wrotenbery

Director

Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3119-

AMERADA HESS CORP PO BOX 2040 HOUSTON, TX 77252-2040

Attention: Roy L. Wheeler, Jr.

MJ RALEY A Well No. 001 API No. 30-025-07781-00-00

Unit A, Section 18, Township 20S, Range 38E, NMPM.

Lea County, New Mexico

Pool: NADINE; PADDOCK-BLINEBRY, WEST 47400

SKAGGS;ABO, EAST 56630

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.

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

NADINE;PADDOCK-BLINEBRY, WEST	Gas 69.00%	Oil 97.00%
SKAGGS;ABO, EAST	Gas 31.00%	Oil 3.00%

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

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Administrative Order DHC-3119-AMERADA HESS CORP March 11, 2003 Page 2

Approved at Santa Fe, New Mexico, on this 11th day of March, 2003.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBERY, Division Director

LW/DRC

cc: Oil Conservation Division - Hobbs