



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-1684

Cross Timbers Operating Company
3000 N. Garfield
Suite 175
Midland, Texas 79705

Attention: Mr. Ray F. Martin

*Sham Well No. 1
API No. 30-01-17932
Unit A, Section 1, Township 20 South, Range 37 East, NMPM,
Lea County, New Mexico
Monument-Tubb (17090) and
Skaggs-Drinkard (157000) Pools*

Dear Mr. Martin:

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 no injury or 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 subject well are hereby established as follows:

Oil 222 B/D Gas 2220 MCF/D Water 444 B/D

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

Monument-Tubb Pool	Oil 92%	Gas 84%
Skaggs-Drinkard Pool	Oil 8%	Gas 16%

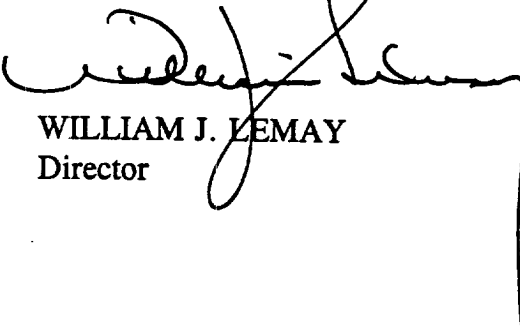
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REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 3rd day of October, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WJL/DRC

cc: Oil Conservation Division - Hobbs /