



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

AMENDED ADMINISTRATIVE ORDER DHC-2181

Sapient Energy Corporation
621 17th Street, Suite 1800
Denver, Colorado 80293-0621

Attention: Ms. April J. Carlson

*Kyte No. 3
API No. 30-025-33427
Unit I, Section 23, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico.
Blinebry Oil & Gas (Oil - 6660),
East Warren-Tubb (Oil - 87085) and
Undesignated DK-Abo (Oil - 15200) Pools*

Dear Ms. Carlson:

Reference is made to your recent application for an amendment to Division Order No. DHC-2181 dated February 8, 1999, which order authorized the commingling of Blinebry Oil & Gas and East Warren-Tubb Pool production within the well, to add the Undesignated DK-Abo Pool as a third commingled pool in the well.

It appearing that the subject well qualifies for approval for such amendment 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.(1), each of the commingled pools shall be allowed to produce up to the top oil allowable and top casinghead gas allowable applicable for that pool.

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

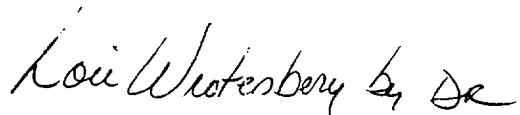
Blinebry Oil & Gas Pool	Oil-24%	Gas-18%
DK-Abo Pool	Oil-67%	Gas-56%
East Warren-Tubb Pool	Oil-9%	Gas-26%

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Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 8th day of September, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Hobbs /