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

ADMINISTRATIVE ORDER DHC-2546

Amerada Hess Corporation P.O. Box 840 Seminole, Texas 79360

Attention: Mr. Duwayne Perry

State "Q" No. 7
API No. 30-025-34162
Unit J, Section 16, Township 20 South, Range 37 East, NMPM,
Lea County, New Mexico.
Monument-Paddock (Oil - 47080),
Monument-Tubb (Oil - 47090) and
Southeast Monument-Abo (Oil - 96764) Pools

Dear Mr. Perry:

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 107 B/D

Gas 214 MCF/D

Water 214 B/D

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

Monument-Paddock Pool	Oil-27%	Gas-10%
Monument-Tubb Pool	Oil-27%	Gas-32%
Southeast Monument-Abo Pool	Oil-46%	Gas-58%