



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-2166

CW
Horne
Held

Falcon Creek Resources Inc.
621 17th Street
Suite 1800
Denver, Colorado 80293-0621

Ms. Jaylene Roope

*Federal "24" Well No. 6
API No. 30-025-34200
Unit I, Section 24, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico.
DK-Abo (Oil - 15200), and
East Warren-Tubb (Oil - 87085) Pools*

Dear Ms. Roope:

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 subject well are hereby established as follows:

Oil 142 B/D

Gas 852 MCF/D

Water 284 B/D

Assignment of allowable to the well and allocation of production from the well shall be as follows:

DK-Abo Pool	Oil 50%	Gas 50%
East Warren-Tubb Pool	Oil 50%	Gas 50%

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

Administrative Order DHC-2166

Falcon Creek Resources Inc.

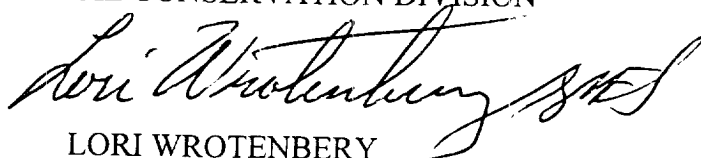
January 4, 1999

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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 4th day of January, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a stylized set of initials.

LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Hobbs
Bureau of Land Management-Carlsbad