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

CORRECTED ADMINISTRATIVE ORDER DHC-1431

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

Attention: Mr. Morris Keith

Alphabet Unit Well No.2
Unit F, Section 17, Township 21 South, Range 34 East, NMPM,
Lea County, New Mexico.
South Berry Bone Spring (96660) and
Wildcat Wolfcamp (pool code not yet assigned) Pools

Dear Mr. Keith:

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 275 B/D	Gas 550 Mcf/D	Water 550 B/D

In accordance with the provisions of Rule 303.C., the supervisor of the Hobbs District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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 12th day of March, 1997.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WIĿŁIAM J. LEMAY

Director

SEAL

WJL/BES

cc: Oil Conservation Division - Hobbs

Bureau of Land Management - Carlsbad