



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Betty Rivera**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

## *ADMINISTRATIVE ORDER DHC-3063*

Xeric Oil & Gas Corporation  
P.O. Box 352  
Midland, Texas 79702

Attention: Ms. Angie Crawford

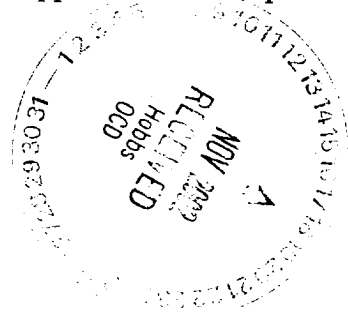
*Porfidio State Well No.1  
API No. 30-025-35890  
Unit M, Section 17, Township 20 South, Range 39 East, NMPM,  
Lea County, New Mexico  
Undesignated D-K-Drinkard (Oil 15390), and  
Undesignated D-K-Abo (Oil 15200) Pools*

Dear Ms. Crawford:

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.(1), each of the commingled pools shall be allowed to produce up to the top oil allowable and top casing head gas allowable applicable for that pool.



Administrative Order DHC-3063

Xeric Oil & Gas Corporation

November 7, 2002

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Assignment of allowable to the well and allocation of production from the well shall be on the following basis unless amended by the Hobbs District Office and copied to this office.

Undesignated D-K-Drinkard Pool	Oil-55%	Gas-38%
Undesignated D-K-Abo Pool	Oil-45%	Gas-62%

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

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

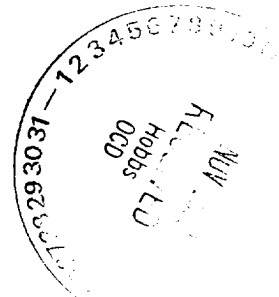
Approved at Santa Fe, New Mexico on this 7th day of November 2002.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Lori Wrottenbery* (wvj)  
LORI WROTENBERY  
Director

LW/wvj

cc: Oil Conservation Division - Hobbs /  
State Land Office - Santa Fe





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Director

Oil Conservation Division

11/8/02

Oil Conservation Division  
1220 S. Francis Drive  
Santa Fe, NM 87505

RE: Proposed:

MC

DHC ☒

NSL

NSP

SWD

WFX

PMX

Gentlemen:

I have examined the application for the:

Xeric Oil & Gas Corp. Perfidia State #1-17-20s-30e  
Operator Lease & Well No. Unit S-T-R 30-025-35820

and my recommendations are as follows:

*[Handwritten signature]*

Yours very truly,

*[Handwritten signature: Chris Williams]*  
Chris Williams  
Supervisor, District 1

# XERIC Oil & Gas Corporation

1801 W. Texas, P. O. Box 352  
Midland, Texas 79702

November 1, 2002

(914) 683-3171

Fax: (915) 683-3152

Richard Azanium  
Energy, Minerals and Natural Resources Dept.  
Oil Conservation Division  
1220 S. Saint Francis Dr.  
Santa Fe, NM 87505

State of New Mexico  
Commissioner of Public Lands  
Attn: Ray Powell  
P. O. Box 1148  
Santa Fe, NM 87504-1148

RE: Downhole Commingling  
Porfidio State #1, API #30-025-35890  
Lea County, New Mexico

Dear Mr. Azanium:

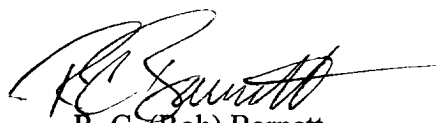
Xeric Oil & Gas Corporation respectfully requests an exception for the above captioned well to NM Statewide Rule 303. The final single completion is in the East Warren Drinkard (Oil-63120), September 26, 2002. The well was previously completed and tested in the DK Abo (Oil-15200), July 23, 2002. Xeric proposes the following production allocation for the two zones based on the most recent production rates from each zone as follows:

	<u>OIL</u>	<u>GAS</u>	<u>WATER</u>
<del>East Warren</del> <sup>D-K</sup> Drinkard	55%	38%	99%
D-K; Abo	45%	62%	1%

Please find attached our application with supporting documentation for the downhole commingling of the captioned well for you review and approval. Due to the recent completion dates we are not able to furnish a one-year production curve but have provided the last fifteen days production for each zone.

Thank you for your attention to this matter. Should you have any questions or need additional information, please call Angie Crawford at the number above.

Sincerely,

  
R. C. (Rob) Barnett  
AC

Cc: Hobbs District Office

