



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION

TONY ANAYA  
GOVERNOR

May 3, 1983

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STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

Administrative Order No. DHC-400

Amerada Hess Corporation  
P. O. Drawer "D"  
Monument, New Mexico 88265

Attention: Randall L. Howell,  
Assoc. Petroleum Engineer

Re: Eugene Wood No. 10, Unit H,  
Sec. 22, T-22-S, R-37-E,  
Lea County, New Mexico  
Blinbry Oil and Gas and  
Drinkard Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both 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 Division Order No. R-316 dated April 30, 1958, which authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled condensate production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall

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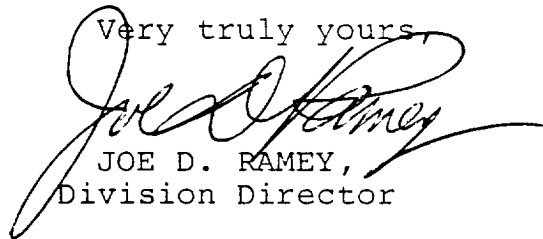
be determined by standard New Mexico gas proration procedures as reflected in the gas proration schedule.

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

*Henry* Upper Pool: Condensate 59%, Gas 39%  
*Frank* Lower Pool: Condensate 41%, Gas 61%

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,



JOE D. RAMEY,  
Division Director