



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

FOR [unclear]

ADMINISTRATIVE ORDER DHC-2492

Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, Oklahoma 74121-1468

Attention: Ms. Charlotte Van Valkenburg

*Bell Lake Unit No. 12
API No. 30-025-24335
Unit J, Section 31, Township 23 South, Range 34 East, NMPM,
Lea County, New Mexico.
Bell Lake-Cherry Canyon (Oil - 5160) and
Bell Lake-Bone Spring (Oil - 5130) Pools*

Dear Ms. Van Valkenburg:

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 142 B/D

Gas 284 MCF/D

Water 284 B/D

Production from the well shall be allocated as follows:

Bell Lake-Cherry Canyon Pool	Oil-20%	Gas-30%
Bell Lake-Bone Spring Pool	Oil-80%	Gas-70%

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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 21st day of October, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery by DRC
LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division – Hobbs /
State Land Office-Oil & Gas Division