

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

ADMINISTRATIVE ORDER DHC-2439

Chevron U.S.A. Production Company P.O. Box 1150 Midland, Texas 79702

Attention: Mr. C.A. Wright

Mark No. 11
API No. 30-025-26051
Unit A, Section 3, Township 22 South, Range 37 East, NMPM,
Lea County, New Mexico.
Blinebry Oil & Gas (Oil - 6660) and
Wantz-Abo (Oil - 62700) Pools

Dear Mr. Wright:

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 107 B/D

Gas 428 MCF/D

Water 214 B/D

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

Blinebry Oil & Gas Pool	Oil-10%	Gas-59%
Wantz-Abo Pool	Oil-90%	Gas-41%

Administrative Order DHC-2439 Chevron U.S.A. Production Company August 23, 1999 Page 2

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

Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 23rd day of August, 1999.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBERY by DIC

Director

SEAL

LW/DRC

cc:

Oil Conservation Division - Hobbs /