



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

**COMMINGLING ORDER PC-988**

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

Attention: Mr. Rob Barnett

Lease: Carter 19 Wells No. 1, and 2  
Description: SW/4 of Section 19, Township 20 South, Range 39 East, NMPM,  
Lea County, New Mexico.

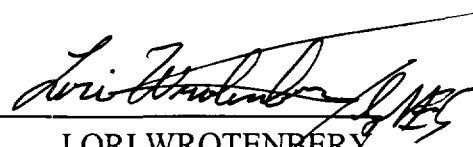
The above-named company is hereby authorized to commingle Blinebry Oil & Gas (06660) and DK-Abo (15200) Pool production in a common tank battery and to determine the production from each well by well tests. This method is authorized only so long as all commingled production is of marginal nature; further the operator shall notify the Santa Fe office of the Division in the event any well on the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate. All commingled production must be of identical ownership including working interest, royalty interest and overriding royalty interest.

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

REMARKS: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

NOTE: Commingled production shall be stored in the Carter 19 Well No. 1 tank battery facility located in the SW/4 SW/4 (Unit Letter M) of Section 19, Township 20 South, Range 39 East, NMPM, Lea County, New Mexico.

DONE at Santa Fe, New Mexico, on this 26th day of January, 1999.

  
LORI WROTENBERY,  
Division Director

LW/MWA/kv  
cc: Oil Conservation Division - Hobbs