STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87504 (505) 827-5800

COMMINGLING ORDER CTB-381

Texaco Exploration & Production, Inc. P.O. Box 730 Hobbs, NM 88241

Attention: Scott G. Warhover

The above named company is hereby authorized to commingle Hat Mesa Delaware Pool production from the following leases:

Lease:

Little Eddy Unit Well No. 1 (State Lease)

Description:

SW/4 SW/4, Section 32, Township 20 South, Range 33 East; and,

Lease:

Little Eddy Unit Well No. 2 (Federal Lease)

Description:

NE/4 NE/4, Section 5, Township 21 South, Range 32 East.

both in Lea County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each pool prior to commingling.

NOTE: 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." If is the responsibility of the producer to notify the transporter of this commingling authority.

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

REMARKS: Commingled production shall be stored in the Little Eddy Well No. 1 tank battery located in Unit Letter M of Section 32, Township 20 South, Range 33 East.

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DONE at Santa Fe, New Mexico, on this 8th day of December, 1993

WILLIAM J. LEMAY, Division Director

cc: Oil Conservation Division - Hobbs
Oil Conservation Division - Data Processing
State Land Office - Oil and Gas Division
US Bureau of Land Management - Carlsbad