



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery

Director
Oil Conservation Division

AMENDED COMMINGLING ORDER PC-391-B

Chevron Texaco
15 Smith Road
Midland, Texas 79705

Attention: Ms. Carolyn Haynie

The Oil Conservation Division (OCD) hereby amends Division Order PC-391, adding the Penrose Skelly-Grayburg Oil Pool. The resulting order reads as follows.

Lease: Harry Leonard (NCT-E)
Description: NE/4 of Section 16, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico

The OCD hereby authorizes ChevronTexaco to commingle oil, water, and gas production from the following pools within this lease and to determine production from each pool by periodic well tests.

Penrose Skelly-Grayburg (Oil-50350)
Blinebry Oil and Gas (Oil-6660)
Tubb Oil and Gas (Prorated Gas-86440)
Drinkard (Oil-19190)

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." The producer shall notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Hobbs District Office of the OCD upon implementation of commingling operations.

Administrative Order PC-391B

ChevronTexaco

September 4, 2002

Page 2

DONE at Santa Fe, New Mexico, on this 4th day of September 2002.

Lori Wrotenberg (wvj)

LORI WROTENBERY,
Division Director

LW/wvj

cc: Oil Conservation Division – Hobbs
State Land Office – Santa Fe