

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

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

COMMINGLING ORDER PC-783

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

Attention: Larry M. Sanders

LEASE NAME: Santa Fe Lease
DESCRIPTION:

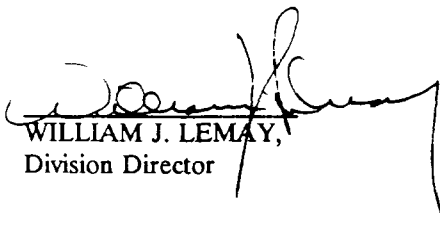
TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
LEA COUNTY, NEW MEXICO

Section 26: NW/4 NW/4
Section 27: S/2 SW/4
Section 28: NE/4 NE/4, S/2 NW/4
Section 29: SE/4 NE/4, NE/4 SW/4
Section 33: N/2 NE/4, SW/4 NW/4, E/2 SW/4
Section 34: W/2 NE/4

The above-named company is hereby authorized to commingle Vacuum Glorieta and Vacuum Yates Pool production in a common tank battery and to determine the production from each pool by well tests. (All commingled production must be of marginal nature; further, the operator shall notify the Santa Fe office of the Division in the event any well in 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.

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." It is the responsibility of the producer to notify the transporter of this commingling authority.

DONE at Santa Fe, New Mexico, on this 15th day of April, 1991.


WILLIAM J. LEMAY,
Division Director

cc: Oil Conservation Division - Hobbs