



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

AMENDED COMMINGLING ORDER PC-916
(2nd Amendment)

Conoco, Inc.
10 Desta Drive, Suite 100 West
Midland, Texas 79705-4500

Attention: Mr. Jerry Hoover

Lease: Hardy '36' State Lease
Description: All of Section 36 except NW/4 NW/4,
Township 20 South, Range 37 East, NMPM,
Lea County, New Mexico.

The above-named company is hereby authorized to commingle Hardy Simpson Ellenburger (96227), North Hardy Tubb-Drinkard (96356), and South Cass Strawn (10460) Pool production from the above mentioned lease and to determine production from each lease by separately metering the production from the [downhole commingled] Hardy Simpson Ellenburger and South Cass Strawn Pools and determining the North Hardy Tubb-Drinkard Pool production by the subtraction method.

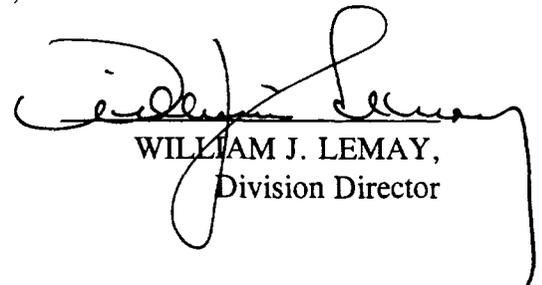
REMARKS: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309.B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

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

NOTE: Commingled production shall be stored in the Hardy '36' State Lease tank battery facility located in Unit Letter 'K' of Section 36, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

NOTE: Validation of this authority shall be accomplished with like approval by the Commissioner of Public Lands, New Mexico State Land Office.

DONE at Santa Fe, New Mexico, on this 16th day of October, 1997.


WILLIAM J. LEMAY,
Division Director

WJL/BES

cc: Oil Conservation Division - Hobbs
State Land Office - Oil & Gas Division