

OIL CONSERVATION DIVISION

COMMINGLING ORDER PC-926

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

Attention: Mr. Jerry W. Hoover

LEASE NAME: State 'E' Well Nos.10 & 14
DESCRIPTION: Section 17, Township 22 South, Range 36 East, NMPM,
Lea County, New Mexico

The above-named company is hereby authorized to commingle Langley Strawn (37090) and Langley Devonian (Gas - 79936) Pool production in a common tank battery and to determine the production from each pool by well tests. (If this method is to be authorized, 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 on the commingled battery becomes capable of the allowable production, at which time the Division will amend this order or take such other action as may be appropriate.

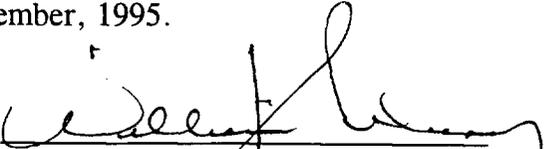
NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter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

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

REMARKS: Commingled production shall be stored in the State 'E' No.10 tank battery facility located in Unit Letter "O" of Section 17, Township 22 South, Range 36 East, Lea County, New Mexico.

NOTE: Validation of this authority shall be accomplished by like approval by the New Mexico State Land Office.

DONE at Santa Fe, New Mexico, on this 29th day of December, 1995.


WILLIAM J. LEMAY, Director

WJL/BES

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December 29, 1995

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