



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PLC-170

Clayton Williams Energy, Inc.
Claydesta Center
Six Desta Drive, Suite 3000
Midland, Texas 79705

Attention: Mr. Matt Swierc

The above-named company is hereby authorized to commingle Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres (Oil – 28509) and East Empire-Yeso (Oil - 96610) Pool production from the following leases:

Lease: State "20B" (State Lease No. B-6846)
Description: NE/4 and SW/4 SE/4 of Section 20, Township 17 South, Range 29 East, NMPPM; and

Lease: State "20E" (State Lease No. E-4201)
Description: NE/4 NW/4 of Section 20, Township 17 South, Range 29 East, NMPPM

all located in Eddy County, New Mexico.

Production shall be allocated to each lease by well tests. This method is authorized only so long as all commingled production is of identical ownership including working interest, royalty interest, and overriding royalty interest.

NOTE: 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.

REMARKS: The commingled production shall be stored and measured at the tank battery facility located in the NE/4 NE/4 of Section 20, Township 17 South, Range 29 East, NMPPM, Eddy County, New Mexico.

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

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NOTE: This order supersedes Division Order CTB-497 and such order is hereby placed in abeyance.

PROVIDING: Like approval by the Commissioner of Public Lands, New Mexico State Land Office is also required.

DONE at Santa Fe, New Mexico, on this 1st day of June, 2000.



LORI WROTENBERY,
Division Director

LW/MWA/kv

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