



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-171

Anadarko Petroleum Corporation
P.O. Box 2497
Midland, Texas 79702

Attention: Mr. Richard Lauderdale

The above named company is hereby authorized to commingle North Shugart-Bone Spring (Oil - 56405) and Shugart Yates-Seven Rivers-Queen-Grayburg (Oil - 56439) Pool production from the following leases:

Lease: Paton "B" Federal Wells No. 2 and 3 (Federal Lease No. NM-17157)
Description: N/2 SW/4 of Section 9, Township 18 South, Range 31 East, NMPM; and

Lease: Paton "B" Federal Wells No. 1 and 4 (Federal Lease No. LC-029389(C))
Description: S/2 SW/4 of Section 9, Township 18 South, Range 31 East, NMPM

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 in the Paton "B" Federal Lease tank battery facility located in the SE/4 SW/4 of Section 9, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

FURTHER: The operator shall notify the Artesia district office of the Division prior to implementation of the commingling process.

NOTE: This order supersedes Division Order CTB-491 and such order is hereby placed in abeyance.

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PROVIDING: Like approval from the U.S. Bureau of Land Management is also required.

DONE at Santa Fe, New Mexico, on this 22nd day of June, 2000.


LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Artesia
U.S. Bureau of Land Management – Carlsbad