



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

AMENDED COMMINGLING ORDER PC-107

Apache Corporation
2000 Post Oak Blvd.
Suite 100
Houston, Texas 77056-4400

Attention: Ms. Debra J. Anderson

LEASE NAME: Taylor Glenn Lease
DESCRIPTION: Lots 5, 6, 9, 10 and 11 in Section 3, and Lot 8 in Section 4,
Township 21 South, Range 37 East,
NMPM, Lea County, New Mexico.

The above-named company is hereby authorized to commingle Penrose Skelly (Grayburg) (Oil - 50350) and Wantz-Abo (Oil - 62700) Pool production in a common tank battery and to determine the production from each pool by well tests. This method is authorized only so long as all commingled production is 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.

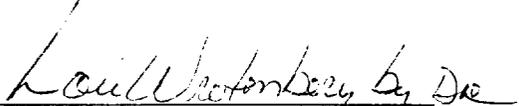
NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter 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 at the Taylor Glenn Lease tank battery facility located in Unit I of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico.

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DONE at Santa Fe, New Mexico, on this 5th day of March, 2001.


LORI WROTENBERY, Director

LW/DRC

cc: Oil Conservation Division – Hobbs