



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 PC-1050

Concho Oil & Gas Corporation
Suite 410
110 W. Louisiana
Midland, Texas 79701

Attention: Ms. Terri Stathem

Lease: Sundown State Lease
Description: SW/4 SW/4 of Section 14, Township 10 South, Range 37 East, NMPM,
Lea County, New Mexico

The above-named company is hereby authorized to commingle Northeast Echol-Wolfcamp (Oil – 97017) and Wildcat San-Andres (Oil – N/A) Pool gas production from the above-described lease and to determine the production from each pool by separately metering the gas production from each well prior to commingling.

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.

Total gas production from the lease shall be measured at a gas sales meter located in the SW/4 SW/4 of Section 14. Oil and water production shall not be commingled.

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

DONE at Santa Fe, New Mexico, on this 7th day of January, 2002.

LORI WROTENBERY,
Division Director

LW/DRC

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