



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PC-1052

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

Attention: Ms. Ann E. Ritchie

Lease: State F-1 Lease (State Lease No. B-1535)
Description: Lots 2 through 8, 13 and 14, S/3 of Section 1, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico

The above-named company is hereby authorized to commingle Hardy Tubb-Drinkard (Oil – 29670) and Eumont Yates-Seven Rivers-Queen (Gas – 76480) Pool production from the above-described lease and to determine the production from each pool by:

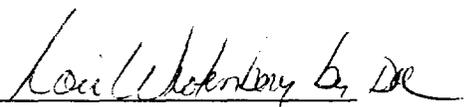
Separately metering the gas production from each pool prior to commingling, and utilizing semi-annual well tests to determine oil production from each pool.

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.

Oil and water production shall be commingled and stored at the State F-1 Tank Battery.

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 12th day of February, 2002.


LORI WROTENBERY,
Division Director

LW/DRC

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