

NEW MEXICO OIL CONSERVATION COMMISSION
POST OFFICE BOX 2088
SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER PC-432

Company Penroc Oil Corporation
Address P. O. Drawer 831
City, State, Zip Midland, Texas 79701

Attention: H. B. Wigzell

Lease Name: Conoco State
Description: E/2 SW/4, W/2 SE/4 and SW/4 NE/4
Section 33, T-18-S, R-38-E, Lea County, N.M.

The above-named company is hereby authorized to commingle production from the following pools

Hobbs Drinkard and Hobbs Blinebry

in a common tank battery, and to determine the production from each pool by

 separately metering the production from each pool prior to commingling

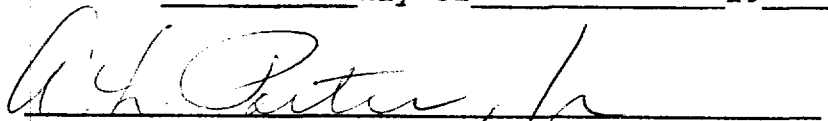
 x separately metering the production from Hobbs Drinkard Pool and determining the Hobbs Blinebry Pool production by the subtraction method

 well tests (if this method is to be authorized, all commingled production must be of marginal nature; further, the operator shall notify the Santa Fe Office of the Commission in the event any well producing into the commingled battery becomes capable of top allowable production, at which time the Commission 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 Commission Rules and Regulations and the Commission "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 Commission may, at its option, rescind this authority or require separate gas meter runs if deemed necessary.

DONE at Santa Fe, New Mexico, on this 3rd day of December 19 71.


A. L. PORTER, Jr., Secretary-Director