

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

COMMINGLING ORDER PC-892

Texaco Exploration and Production Inc.
P.O. Box 730
Hobbs, NM 88241-0730

Attention: T.L. Fraizer

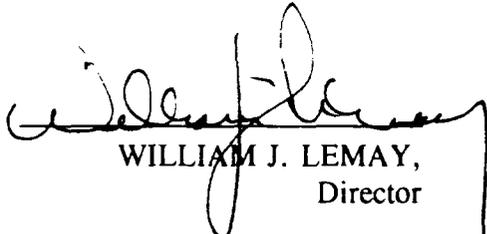
LEASE NAME: *G.W. Sims Lease*
DESCRIPTION: *NW/4 NE/4 of Section 9, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.*

The above-named company is hereby authorized to commingle Teague-Drinkard and Teague-Blinebry Pool production in a common tank battery and to determine the production from each pool by separately metering the production from each pool prior to commingling.

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

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.

DONE at Santa Fe, New Mexico, on this 22nd day of July, 1994.


WILLIAM J. LEMAY,
Director

cc: Oil Conservation Division- Hobbs