



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

November 1, 1990

Texaco Producing, Inc.
P.O. Box 730
Hobbs, NM 88240

Attention: J. A. Head

COMMINGLING ORDER PLC-81

Dear Mr. Head:

The above-named company is hereby authorized to commingle Fren-Seven Rivers and Grayburg-Jackson Seven Rivers Queen Grayburg San Andres Pool production from the following leases:

LEASE NAME: Skelly Unit (LC-029420-B)
DESCRIPTION: Sections 14 & 15: All
Sections 21, 22 & 23: All
Section 26: N/2 NW/4
Section 27: NW/4, W/2 NE/4, NE/4 NE/4
Section 28: N/2, N/2 S/2
Fren-Seven Rivers and Grayburg-Jackson Pools

LEASE NAME: Lea "C" Federal Lease (LC-029418-B)
DESCRIPTION: Section 11: All
Grayburg-Jackson Pool

LEASE NAME: Lea "D" Federal Lease (LC-029418-B)
DESCRIPTION: Section 26: S/2, NE/4, S/2 NW/4
Grayburg-Jackson Pool

All in Township 17 South, Range 31 East, NMPM
Eddy County, New Mexico.

Production shall be allocated to each lease by separately metering production from each lease prior to commingling.

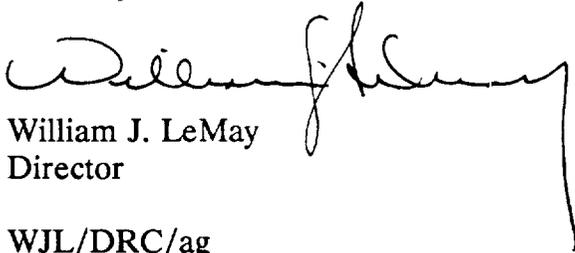
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NOTE: This installation shall be installed and operation in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: All production shall be transported and sold at LACT Units 1 and 2, located respectively in the NE/4 of Section 22 and the NE/4 of Section 28.

DONE at Santa Fe, New Mexico on this 1st day of November, 1990.

Sincerely,



William J. LeMay
Director

WJL/DRC/ag

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad