

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Amended COMMINGLING ORDER PLC-240A

Henry Petroleum LP 3525 Andrews Highway Suite 200 Midland, Texas 79703-5000

Attention: Ms. Shirley Houchins

The above-named company is hereby authorized to surface commingle Langlie Mattix-Seven Rivers Queen Grayburg (Oil 37240), Justis-Fusselman (Oil 34770), Justis-Montoya (Oil 35150), and Mid Justis-Abo (Gas 96543) Pool oil, water, and gas production from the following wells and leases all located in Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

Lease, Legal Description, and Producing Pools with Wells

State "Y" Lease (State Lease No. B-11478)

N/2 NE/4 and SE/4 NE/4 of Section 25

Langlie Mattix-Seven Rivers Queen Grayburg Pool (40 acre proration units)

State "Y" Well No. 8 (API No. 30-025-11776), Unit H,

State "Y" Well No. 11 (API No. 30-025-32934), Unit B,

Justis-Fusselman Pool (40 acre proration units)

State "Y" Well No. 5 (API No. 30-025-11773), Unit B

State "Y" Well No. 9 (API No. 30-025-11777), Unit A

Justis-Montoya Pool (40 acre proration units)

State "Y" Well No. 7 (API No. 30-025-11775), Unit A

W.N. Wimberly Lease

E/2 NW/4 and NW/4 NE/4 of Section 23 and N/2 NW/4 and SW/4 NW/4 of Section 24

Langlie Mattix-Seven Rivers Queen Grayburg Pool (40 acre proration units)

W.N. Wimberly Well No. 11 (API No. 30-025-25537), Unit C, Section 24

W.N. Wimberly Well No. 12 (API No. 30-025-27819), Unit D, Section 24

W.N. Wimberly Well No. 9 (API No. 30-025-21092), Unit E, Section 24

W.N. Wimberly Well No. 14 (API No. 30-025-31759), Unit E, Section 24

Ida Wimberly Lease

W/2 SW/4 of Section 24, NW/4 and SW/4 NE/4 of Section 25, and NE/4 NE/4 of Section 26

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Langlie Mattix-Seven Rivers Queen Grayburg Pool (40 acre proration units)
Ida Wimberly Well No. 11 (API No. 30-025-11721), Unit L, Section 24,
Ida Wimberly Well No. 13 (API No. 30-025-11722), Unit M, Section 24,
Ida Wimberly Well No. 17 (API No. 30-025-20014), Unit C, Section 25,
Ida Wimberly Well No. 9 (API No. 30-025-11763), Unit E, Section 25,
Ida Wimberly Well No. 20 (API No. 30-025-32832), Unit E, Section 25,

Mid Justis-Abo Gas Pool (160 acre spacing units)
Ida Wimberly Well No. 22 (API No. 30-025-33470), NW/4 (160 acres), Section 25

Each grouping of wells with identical ownership shall be continuously metered prior to sales. Within each identically owned set of wells, allocation of production and sales shall be according to periodic well tests.

The commingled production shall be stored at the State "Y" tank battery located in Unit A of Section 25, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Hobbs district office of the Division upon commencement of commingling operations. Done, at Santa Fe, New Mexico on this 12th day of August 2004.

MARK E. FESMIRE, P.E. Division Director

MEF/wvji

cc:

Oil Conservation Division – Hobbs State Land Office-Oil & Gas Division