

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

COMMINGLING ORDER PC-356-A

John H. Hendrix Corporation P.O. Box 3040 Midland, Texas 79702-3040

Attention: Mr. Ronnie H. Westbrook

The above named company is hereby authorized to surface commingle Penrose Skelly-Grayburg (Oil - 50350), Drinkard (Oil - 19190), Tubb Oil and Gas (Oil - 60240) and Blinebry Oil and Gas (Oil - 06660) Pool production from the following-described fee lease in Lea County, New Mexico:

Lease:

W. W. Weatherly Lease

Description:

W/2 NE/4, NW/4 SE/4 and NE/4 SW/4 of Section 17,

Township 21 South, Range 37 East, NMPM;

Wells:

W. W. Weatherly No. 3 (API No. 30-025-06646) Unit G

Blinebry Oil and Gas Pool

W. W. Weatherly No. 4 (API No. 30-025-06647) Unit K

Drinkard Pool

W. W. Weatherly No. 5 (API No. 30-025-23717) Unit B

Penrose Skelly-Grayburg Pool

W. W. Weatherly No. 6 (API No. 30-025-24178) Unit K

Penrose Skelly-Grayburg Pool

Production shall be allocated to each well on the basis of quarterly well tests.

Production shall be transported and stored at the central tank battery site located within the SW/4 NE/4 of Section 17, Township 21 South, Range 37 East, NMPM.

NOTE: It is the responsibility of the producer to notify the transporter of this commingling authority.

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The operator shall notify the supervisor of the Hobbs district office prior to implementation of this commingling operation.

DONE at Santa Fe, New Mexico, on this 18th day of August, 2004.

Mark E. Fesmire, P.E.

Director

MEF/drc

Oil Conservation Division - Hobbs cc: