

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

ADMINISTRATIVE ORDER OLS-191

Occidental Permian Ltd. P.O. Box 4294 Houston, TX 77210-4294

Attention: Mr. Mark Stephens

B. Hardin Well No. 1 API No. 30-025-36934 Unit D, Section 19, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico Northwest Hobbs-Abo Pool (97212)

Reference is made to your request received by the Division on March 17, 2005, for an exception to Division Rule 303.A. to permit off-lease storage and measurement of oil production from the B. Hardin Well No. 1. It appears the application is complete, and notice has been provided to all working interest owners within Unit D of Section 9 in accordance with the provisions of Division Rule 303.D. It is our understanding that this is a Fee lease and Occidental Permian Ltd owns 100 percent of the working interest.

Occidental Permian Ltd. is hereby authorized to utilize a sales meter located off-lease in the SE/4 SE/4 of Section 13, Township 18 South, Range 37 East, NMPM, to meter the oil production originating from the B. Hardin Well No. 1, located in Unit D of Section 19, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER THAT, no commingling of production from other sources shall be allowed.

NOTE: The operator shall notify the Hobbs District Office upon implementation of off-lease measurement operations.

DONE at Santa Fe, New Mexico on this 21st day of March 2005.

MARK E. FESMIRE, P.E.

Division Director

MEF/wvjj

cc: Oil Conservation Division - Hobbs