

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-192

Texland Petroleum-Hobbs LLC 777 Main Street Suite 3200 Fort Worth, Texas 76102

Attention: Ms. Vickie Smith

As an exception to the requirements of Rule 19.15.5.303.A(2) of the Division Rules and Regulations, and pursuant to the provisions of Rule 19.15.5.303.D, the above-named company is hereby authorized off-lease storage and measurement for Hobbs Upper-Blinebry (Oil - 31680) Pool production from the following lease:

Lease:

W. D. Grimes "28" Lease (Fee Lease)

Description:

SW/4 SW/4 of Section 28, Township 18 South, Range 38 East, NMPM,

Lea County, New Mexico;

Well:

W. D. Grimes "28" Well No. 1 (API No. 30-025-37191)

520' FSL & 330' FWL (Unit M) of Section 28

The production from the W. D. Grimes "28" Well No. 1 is to be transported, prior to measurement and storage, to its own storage facilities on the State 1-29 Tank Battery site located in the SE/4 of Section 29, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and there shall be no intercommunication of the handling, separating, treating or storage facilities from wells on the above-described leases.

DONE at Santa Fe, New Mexico, on this 5th day of August, 2005.

MARK E. FESMIRE,

Division Director

MEF/drc

cc:

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