



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order PC-916-F
December 26, 2008

ConocoPhillips Company
3300 North A Street
Building 6
Midland, TX 79705

Attention: Celeste G. Dale

ConocoPhillips Company (OGRID 217817) is hereby authorized to surface commingle oil and gas production within this lease from these Pools:

State NM B-2656 E/2 and SW/4, Section 36, T20S, R37E, NMPM, Lea County
Hardy 36 State Nos. 1,2,3,4,15,18,19,21,25,26,27,30

State NM B-11300-4 NW/4 NW/4, Section 36, T20S, R37E, NMPM, Lea County
State NM B-2366-11 NE/4 NW/4, Section 36, T20S, R37E, NMPM, Lea County
State NM E-5376-1 S/2 NW/4, Section 36, T20S, R37E, NMPM, Lea County
Hardy 36 State No. 31 (Comm agreement C-200616 covering 160 acre unit in the NW/4)

State NM B-2656 NE/4, Section 36, T20S, R37E, NMPM, Lea County
Federal NM 002511 E/2 NW/4, Section 36, T20S, R37E, NMPM, Lea County
Federal LC 031696-B Lots 1 and 2, Section 36, T20S, R37E, NMPM, Lea County
Hardy 36 State No. 28 (Comm agreement C-200690 and Coop agreement C-200129)

Pools Approved for Commingling:
Hardy Simpson-Ellenburger (96227)
South Cass-Strawn (10460)
North Hardy Tubb-Drinkard (96356)
North Hardy-Strawn (96893)
Skaggs-Grayburg (57380)

Hardy 36 State, Sec 36 T20S R37E, Lea County
Sec 36 T20S R37E, Lea County, Active Oil Wells, State Surface
North Hardy-Strawn Pool is spaced on 160-acre oil spacing and proration units (R-11221-A)

API WELL #	Well #	UL	Feet	NS	Ft	EW	Pool1	Pool2	DHC #
30-025-32128-00-00	001	K	1980	S	2230	W	South Cass Strawn	Hardy Simpson Ellenburger	DHC-1895
30-025-32473-00-00	002	K	1876	S	2230	W	North Hardy Tubb Drinkard		
30-025-32479-00-00	003	G	2080	N	1730	E	Skaggs Grayburg		

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30-025-32513-00-00	004	J	1880	S	1680	E	North Hardy Tubb Drinkard		
30-025-33924-00-00	015	N	990	S	1980	W	South Cass Strawn		
30-025-33027-00-00	018	A	330	N	330	E	North Hardy Tubb Drinkard		
30-025-33202-00-00	019	H	1950	N	330	E	North Hardy Tubb Drinkard		
30-025-33028-00-00	021	L	1980	S	330	W	South Cass Strawn	Hardy Simpson Ellenburger	DHC-1656
30-025-34102-00-00	025	L	2180	S	330	W	North Hardy Tubb Drinkard		
30-025-34311-00-00	026	B	870	N	1650	E	North Hardy Strawn		
30-025-34794-00-00	027	J	2200	S	1650	E	North Hardy Strawn		
30-025-35155-00-00	030	B	520	N	1650	E	North Hardy Tubb Drinkard		
30-025-35485-00-00	031	F	1900	N	2310	W	North Hardy Strawn		
30-025-36624-00-00	028	H	2374	N	511	E	North Hardy Strawn		

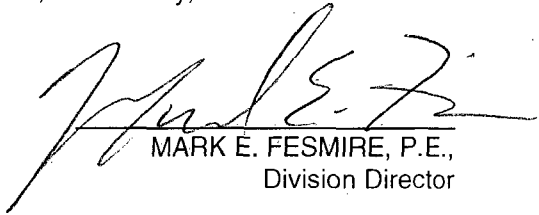
Oil and gas production from the Hardy 36 State Well No. 28 shall be continuously metered separately from oil and gas production from the remainder of wells producing by this operator on this lease. Periodic well tests shall be used to allocate production from other wells within this lease.

It is our understanding that all wells and pools within Section 36, except for well No. 28 as producing from the North Hardy-Strawn Pool, are of identical ownership. It is also our understanding that all interest owners involved in this proposed commingle have been notified and have not objected.

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 implementation of commingling operations.

As per Division Rule 303B.(1)(b), if federal, Indian or state lands are involved, the United States bureau of land management or the commissioner of public lands for the state of New Mexico (as applicable) shall be notified of the proposed commingling prior to this order being valid.

NOTE: Commingled production shall be stored at the Hardy "36" State Lease tank battery, located in the NE/4 SW/4 of Section 36, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.


 MARK E. FESMIRE, P.E.,
 Division Director

MEF/vvjj

cc: Oil Conservation Division – Aztec
 State Land Office – Oil, Gas, and Minerals Division