



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

COMMINGLING ORDER CTB-492

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

Attention: Mr. L.M. Sanders

The above named company is hereby authorized to commingle Malgamar-Grayburg San Andres (Oil - 43329) Pool production from the following leases:

Lease: LeaMex State, No. 8 Battery (State Lease No. B2148)
Wells No. 20, 27, 28, 29, 31, 33, 37, 38, 45, 52, 54, 55, 56
Description: Sections 23, 24 and 25, Township 17 South, Range 33 East, NMPM; and

Lease: Phillips State "E", No. 3 Battery (State Lease No. B2229-1)
Wells No. 28, 29, 31, 32, 36
Description: Sections 13 and 14, Township 17 South, Range 33 East, NMPM

all located in Lea County, New Mexico.

Production shall be allocated to each lease by well tests. This method is authorized only so long as all commingled production is of identical ownership including working interest, royalty interest, and overriding royalty interest.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: The commingled production shall be stored in the LeaMex No. 8 tank battery facility located in the SW/4 NW/4 of Section 24, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico.

FURTHER: The operator shall notify the Hobbs district office of the Division prior to implementation of the commingling process.

PROVIDING: Validation of this authority shall be accomplished by like approval from the New Mexico State Land Office.

DONE at Santa Fe, New Mexico, on this 18th day of January, 2000.

LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Hobbs
State Land Office - Oil & Gas Division