



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

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

COMMINGLING ORDER PC-1005

Concho Resources, Inc.
110 W. Louisiana, Suite 410
Midland, Texas 79701

Attention: Mr. James Blount

LEASE: South Shoe Bar "15" State (State Lease No. A-1320) Wells No. 1 and 2
DESCRIPTION: S/2 NE/4 of Section 15, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico.

The above-named company is hereby authorized to commingle flash gas production from the North Vacuum-Atoka Morrow (Gas - 86800) Pool and gas production from the West Midway-Upper Pennsylvanian (Oil - 96580) Pool from the above mentioned lease and to determine production from each pool by separately metering each pool prior to commingling. Oil production is not commingled but is measured individually and sold at each well location.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 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 common sales meter is located in SW/4 NE/4 (Unit G) of Section 15, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico.

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

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

DONE at Santa Fe, New Mexico, on this 1st day of February, 2000.

LORI WROTENBERY,
Division Director

LW/MWA/kv

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