



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

COMMINGLING ORDER PLC - 118

Shell Western E & P, Inc.
P.O. Box 567
Houston, Texas 77001

Attention: Ms. Yvonne T. Iverson

The above-named company is hereby authorized to commingle Vacuum Drinkard (62110), Vacuum Wolfcamp (62340) and Vacuum Middle Penn (62300) Pool production from the following leases:

Lease: State 'A' Well Nos. 9 and 10
Description: NE/4 and;

Lease: Warn State A/C Well No.1
Description: NE/4 SW/4,

both in Section 31, Township 17 South, Range 35 East, Lea County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each lease prior to commingling.

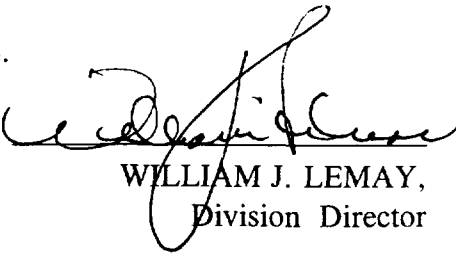
REMARKS: Commingled production shall be stored in the State 'A' tank battery facility located in Unit Letter 'A' of Section 31, Township 17 South, Range 35 East, Lea County, New Mexico.

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

FURTHER: 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.

NOTE: Validation of this authority shall be accomplished by like approval by the State Land Office.

DONE at Santa Fe, New Mexico, on this 30th day of April, 1996.


WILLIAM J. LEMAY,
Division Director

WJL/BES

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