



**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-123
1ST Amendment**

Texaco Exploration & Production, Inc.
P.O. Box 730
Hobbs, New Mexico 88241-0730

Attention: Mr. Bobby J. Hill

The above-named company is hereby authorized to commingle Nash Draw Brushy Canyon (47545) and Forty Niner Ridge Delaware (96477) Pool production from the following leases:

Lease: Remuda Basin '19' Fee Lease
Description: NE/4 NW/4 of Section 19, Township 23 South, Range 30 East, NMPM;

Lease: Remuda Basin State Lease (B-1306)
Description: NW/4 NW/4, S/2 NW/4 and SW/4 of Section 19, Township 23 South, Range 30 East, NMPM; W/2 of Section 30, Township 23 South, Range 30 East, NMPM, and;

Lease: Remuda Basin '19' Federal Lease (NM-17056)
Description: NE/4 of Section 19, Township 23 South, Range 30 East, NMPM;

all in Eddy County, New Mexico.

Production shall be allocated to each lease by separately metering production from each lease and/or pool prior to commingling. **Production from the W/2 of Section 30 of the Remuda Basin State Lease shall be allocated by well test at a satellite testing facility.**

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.

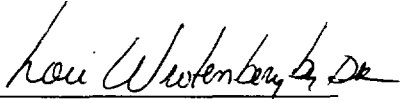
REMARKS: The commingled production shall be stored at the Remuda Basin Central Tank Battery located in the SW/4 SE/4 (Unit O) of Section 19, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico. **The satellite testing facility is located NE/4 SW/4 (Unit K) of Section 30, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico.**

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

PROVIDING: Like approval by the State Land Office and by the Bureau of Land Management is also required.

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


LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Artesia
State Land Office - Oil & Gas Division
Bureau of Land Management - Carlsbad