

COMMINGLING ORDER PLC-126

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

Attention: Mr. Monte C. Duncan

The above-named company is hereby authorized to commingle North Dagger Draw Upper Penn (15472), North Wildcat Canyon Wolfcamp (96478), and Siegrest Draw Abo (96215) Pool production from the following leases:

Lease:	'DD 24' Federal Lease (NM-56220)
Description:	SE/4 of Section 24, and;
Lease:	'DD 25' Federal Lease (NM-58024)
Description:	NE/4 of Section 25, and;
Lease:	'EE 24' Federal Lease (NM-58023)
Description:	E/2 NE/4 of Section 24,

all located in Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico.

Production shall be allocated to each lease by well tests. (If this method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest, and overriding royalty interest.)

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

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 from the aforementioned leases shall be stored in the "Dagger Draw Consolidated Battery" tank battery facility located in Unit Letter 'P' of Section 24, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico.

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NOTE: The subject leases were previously authorized to commingle production from one pool only under Division Order CTB-326. As of the issuance of this order, CTB-326 is hereby placed in abeyance.

DONE at Santa Fe, New Mexico, on this 24th day of July, 1996.

WILLIAM J. LEMAY, vision Director

WJL/BES

cc: Oil Conservation Division - Hobbs Bureau of Land Management - Carlsbad