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

COMMINGLING ORDER PLC-146

Phillips Petroleum Company 4001 Penbrook Odessa, Texas 79762

Attention: Mr. Larry M. Sanders

The above-named company is hereby authorized to commingle Vacuum-Yates (62400) and Vacuum-Glorieta (62160) Pool production from the following leases:

Lease:

Vacuum Glorieta East Unit

Description:

N/2 NW/4, SW/4 NW/4, NW/4 SW/4 of Section 26; Section 27 (Entire Section); NE/4, S/2, E/2 NW/4, SW/4 NW/4 of Section 28; S/2 N/2, S/2

of Section 29; S/2 NE/4, SE/4 NW/4, E/2 SW/4, SE/4 of Section 30; E/2, E/2 W/2 of Section 31; Section 32 (Entire Section); N/2, N/2 S/2, SW/4 SW/4 of Section 33; N/2 NW/4, SW/4 NW/4, NW/4 SW/4 of Section 34 Township 17 South Range 35 East, NMPM, and N/2 N/2, SW/4 NW/4 of

Section 5, Township 18 South Range 35 East, NMPM,

Lease:

Santa Fe Well No. 97 (API No. 30-025-20791)

State Lease (State Lease No. NM-2073)

Description:

SE/4 SW/4 of Section 33, Township 17 South, Range 35 East, NMPM

and,

Lease:

Santa Fe Well No. 113 (API No. 30-025-21713)

State Lease (State Lease No. NM-B-2519)

Description:

NW/4 NE/4 of Section 34, Township 17 South, Range 35 East, NMPM

and,

Lease:

Santa Fe Well No. 127 (API No. 30-025-24643)

State Lease (State Lease No. NM-B-2519)

Description:

SW/4 SW/4 of Section 8, Township 17 South, Range 35 East, NMPM,

all in Lea County, New Mexico.

Production from the Vacuum-Yates pool shall be metered prior to commingling. Production from the Vacuum-Yates pool shall be allocated to each lease by well tests.

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

Commingling Order PLC-146 Phillips Petroleum Company August 18, 1998 Page 2

REMARKS: 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: The commingled production shall be stored in the Vacuum Glorieta East Unit tank battery facility located in the S/2 SW/4 of Section 27, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico.

PROVIDING: <u>Validation of this authority shall be accomplished with like approval from the New Mexico Commissioner of Public Lands.</u>

DONE at Santa Fe, New Mexico, on this 18th day of August, 1998.

LORI WROTEMBERY,

Division Director

LW/MWA/kv

cc: Oil Conservation Division – Hobbs

State Land Office – Oil and Gas Division