



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**

Governor

**Jennifer A. Salisbury**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

COMMINGLING ORDER CTB-504

Penroc Oil Corporation  
P.O. Box 5970  
Hobbs, New Mexico 88241-5970

Attention: Mr. M.Y. (Merch) Merchant

The above named company is hereby authorized to commingle Eumont Yates-Seven Rivers-Queen (Oil - 22800) Pool production from the following leases:

Lease: Lea 407 State Battery Wells No. 2 (**API No. 30-025-03376**), 4 (**API No. 30-025-03378**), and 6 (**API No. 30-025-24826**) (State Lease No. 018979)

Description: Lots 4, 5, and 6 of Section 2, Township 21 South, Range 35 East. NMPM; and

Lease: Warrior State AK Wells No. 1 (**API No. 30-025-03402**), 2 (**API No. 30-025-03403**), 3 (**API No. 30-025-03404**), and 4 (**API No. 30-025-03405**) (State Lease No. 018990)

Description: Lots 1 and 9 of Section 3, Township 21 South, Range 35 East, NMPM;

Lea County, New Mexico.

Production shall be allocated to each lease by well tests. This method is authorized only so long as all commingled production is of identical ownership including working interest, royalty interest, and overriding royalty interest.

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.

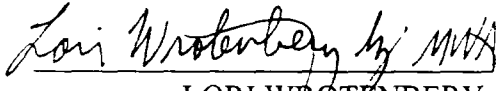
REMARKS: The commingled production shall be stored at the Lea 407 State Battery Well No. 2 tank battery facility located in Lot 6 of Section 12 Township 21 South, Range 35 East, NMPM. Lea County, New Mexico.

FURTHER: The operator shall notify the Hobbs district office of the Division prior to implementation of the commingling process.

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November 2, 2000  
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DONE at Santa Fe, New Mexico, on this 2<sup>nd</sup> day of November, 2000.

  
LORI WROTENBERY,  
Division Director

LW/MWA/kv

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