



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-505

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: L.W. White Well No. 1 (**API No. 30-025-04393**) (State Lease No. 018980)

Description: SE/4 SE/4 of Section 34, Township 20 South, Range 36 East, NMPM; and

Lease: Ida White Wells No. 1 (**API No. 30-025-04403**), and 2 (**API No. 30-025-04404**) (State Lease No. 018978)

Description: N/2 SW/4 of Section 35, Township 20 South, Range 36 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 Ida White tank battery facility located in the N/2 SW/4 of Section 35 Township 20 South, Range 36 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.