

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-515

Concho Oil & Gas Corporation Suite 410 110 W. Louisiana Midland, Texas 79701

Attention: Ms. Terri Stathem

The above named company is hereby authorized to commingle casinghead gas production from the Featherstone-Bone Spring (Oil – 24250) Pool from the following leases:

Lease:

Appleseed Federal Lease (Lease No. NM-86172)

Description: E/2 NE/4 of Section 17, Township 20 South, Range 35 East, NMPM;

Lease:

Manzanita State Lease (Lease No. VO-5694)

Description: W/2 NW/4 of Section 16, Township 20 South, Range 35 East, NMPM;

All in Lea County, New Mexico

Production shall be allocated by separately metering the gas production from each lease prior to commingling. Gas production shall then be transported and sold at a CPD meter located in the NW/4 NE/4 of Section 14, Township 20 South, Range 35 East, NMPM.

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.

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

DONE at Santa Fe, New Mexico, on this 21st day of August, 2001.

Division Director

LW/DRC

Oil Conservation Division – Hobbs

U.S. Bureau of Land Management - Carlsbad

State Land Office-Oil & Gas Division