

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

AMENDED COMMINGLING ORDER PC-303-B

Chevron Texaco 15 Smith Road Midland, Texas 79705

Attention: Ms. Carolyn Haynie

For the following lease and location;

R. E. Cole (NCT-A) Lease Located in Section 16, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico,

The New Mexico Oil Conservation Division (OCD) hereby authorizes ChevronTexaco to commingle oil, water, and gas production from the following pools,

Blinebry Oil & Gas (Oil 06660), Blinebry Oil & Gas (Prorated Gas 72480), Penrose Skelly-Grayburg (Oil 50350), Drinkard (Oil 19190), and Southwest Eunice-San Andres (Oil 24180) Pools.

The operator shall separately report production for each pool and well. These wells being downhole commingled and of common ownership, the operator shall determine production from each well by periodic well tests.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." The producer shall notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Hobbs District Office of the OCD upon implementation of commingling operations.

AMENDED Administrative Order PC-303-B ChevronTexaco October 3, 2002 Page 2 of 2

DONE at Santa Fe, New Mexico, on this 3rd day of October 2002.

LORI WROTENBERY,
Division Director

LW/wvjj

cc:

Oil Conservation Division – Hobbs

State Land Office - Santa Fe