

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

COMMINGLING ORDER PC-1113

Arch Petroleum Inc. P.O. Box 10340 Midland, Texas 79702

Attention: Ms. Cathy Wright

The above named company is hereby authorized to surface commingle Blinebry Oil & Gas (Oil – 06660), Tubb Oil & Gas (Prorated Gas – 86440) and Penrose Skelly-Grayburg (Oil – 50350) Pool production from the following-described fee lease in Lea County, New Mexico:

Lease:

E. A. Sticher Lease

Description:

SE/4 SW/4 of Section 4, T-22 South, R-37 East, NMPM;

Wells:

E. A. Sticher No. 2 (API No. 30-025-10024), Unit N-Blinebry Oil & Gas Pool

E. A. Sticher No. 3 (API No. 30-025-10025), Unit N-Tubb Oil & Gas Pool E. A. Sticher No. 4 (API No. 30-025-36399), Unit N-Penrose Skelly-Grayburg

Production shall be allocated by periodic well tests.

Production shall be commingled and stored at the E.A. Sticher Tank Battery located in the SE/4 SW/4 of Section 4, T-22 South, R-37 East, NMPM.

NOTE: It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the supervisor of the Hobbs district office prior to implementation of this commingling operation.

DONE at Santa Fe, New Mexico, on this 28th day of April, 2004.

David Catanach Engineer/Examiner

cc:

Oil Conservation Division - Hobbs