

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

COMMINGLING ORDER PLC-142-7
7th Amendment

Amerada Hess Corporation P.O. Box 840 Seminole, Texas 79360

Attention: Carol J. Moore

Division Order PLC-142 is hereby amended. The resulting order reads as follows.

The New Mexico Oil Conservation Division (OCD) hereby authorizes Amerada Hess Corporation (Amerada) to surface commingle oil, water, and gas production from Amerada operated wells in these pools and acreage.

All located in Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

Skaggs-Grayburg (Oil-57380), SW/4 NE/4, NW/4 SE/4, E/2 SE/4 of Section 18.

Skaggs-Drinkard (Oil-57000), E/2 SW/4, SW/4 NE/4, NW/4 SE/4 Section 17, SW/4 SW/4 Section 8, NE/4 SE/4 and SE/4 NE/4 Section 18.

Warren-McKee (Oil-63270), SW/4 SE/4 Section 7, W/2 SW/4 Section 17, SE/4 NW/4 and NE/4 SE/4 Section 18, NW/4 NW/4 Section 20.

West Nadine-Paddock-Blinebry (Oil-47400), SW/4 SW/4 Section 8, W/2 NW/4, SE/4 NW/4, SW/4 NE/4, NW/4 SE/4, E/2 SW/4 Section 17, and NE/4 NE/4 Section 18.

West Nadine-Tubb (Oil-47530), NE/4 NE/4 Section 19, SE/4 NW/4, NE/4 SW/4, SW/4 NE/4, NW/4 SE/4, SE/4 SW/4 Section 17.

West Warren-Abo (Oil-62940), NE/4 SW/4 Section 17. East Skaggs-Abo (Oil-56630), SW/4 SW/4 Section 8.

The following wells are all spaced on 40 acres (QTRQTR) and are currently producing within these pools and in this acreage and are therefore included in this commingle at this time. These are located in Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

Warren McKee Unit wells completed in Warren-McKee Well No. 111 NE/4 SE/4 Section 18 API 30-025-07795 Well No. 112 SE/4 NW/4 Section 18 API 30-025-07796 Well No. 132 NW/4 NW/4 Section 20 API 30-025-07827 Well No. 141 SW/4 SW/4 Section17 API 30-025-07789 Well No. 142 NW/4 SW/4 Section 17 API 30-025-07784 Well No. 501 SW/4 SE/4 Section 7 API 30-025-07756 Fred Turner Jr. "A" wells completed in Skaggs-Grayburg SW/4 NE/4 Section 18 API 30-025-07788 Well No. 5 Well No. 6 NW/4 SE/4 Section 18 API 30-025-07790 Well No. 8 SE/4 SE/4 Section 18 API 30-025-07791 Well No. 14 NE/4 SE/4 Section 18 API 30-025-21919 Fred Turner Jr. "B" Well No. 1 SE/4 NW/4 Section 17 API 30-025-07780 West Nadine-Paddock-Blinebry and West Nadine-Tubb (DHC-2819) NE/4 SW/4 Section 17 API 30-025-35920 Well No. 2 Skaggs-Drinkard, West Warren-Abo. West Nadine-Paddock Blinebry, and West Nadine-Tubb (DHC-3043-A) SE/4 SW/4 Section 17 API 30-025-35921 Skaggs-Drinkard, West Nadine-Paddock Blinebry. and West Nadine-Tubb (HOB-0060) Well No. 4 NW/4 SE/4 Section 17 API 30-025-36299

Fred Turner Jr. "C" completed in West Nadine-Paddock-Blinebry Well No. 1 SW/4 NW/4 Section 17 API 30-025-00000

(HOB-0059)

SW/4 NE/4 Section 17 API 30-025-36420

(HOB-0071)

Skaggs-Drinkard, West Nadine-Paddock Blinebry.

Skaggs-Drinkard, West Nadine-Paddock Blinebry,

and West Nadine-Tubb

and West Nadine-Tubb

Well No. 5

Administrative Order PLC-142-7 Amerada Hess Corporation May 18, 2004 Page 3 of 3

Mary J. Raley well completed in West Nadine-Paddock-Blinebry Well No. 1 NW/4 NW/4 Section 17 API 30-025-07783

Mary J. Raley Well No. 2 SW/4 SW/4 Section 8 API 30-025-07757 West Nadine-Paddock-Blinebry, East Skaggs-Abo, and Skaggs-Drinkard (DHC-2862-A)

Mary J. Raley "A" well completed in West Nadine-Paddock-Blinebry Well No. 1 NE/4 NE/4 Section 18 API 30-025-07781

Turner "A" well completed in Skaggs-Drinkard (inactive) Well No. 15 NE/4 SE/4 Section 18 API 30-025-34143

Fred Turner Jr. "A" well completed in the Skaggs-Drinkard Well No. 7 SE/4 NE/4 Section 18 API 30-025-07793

Fred Turner Jr. "A" well completed in the Undesignated West Nadine-Tubb Well No. 13 NE/4 NE/4 Section 19 API 30-025-07809

Production shall be allocated to each lease by separately metering the production from each lease and pool prior to commingling.

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

NOTE: The commingled production shall be stored in the Warren McKee and Fred Turner Jr. "A" tank battery facility located in Unit Letter 'I' of Section 18, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

AMENDED at Santa Fe, New Mexico, on this 18th day of May 2004.

JOANNA PRUKOP, Acting Division Director

LW/wvjj

cc: Oil Conservation Division – Hobbs