



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

COMMINGLING ORDER PLC-243-A

Chevron U.S.A., Inc.
15 Smith Road
Midland, Texas 79705

Attention: Ms. Denise Pinkerton

The above named company is hereby authorized to surface commingle Penrose-Skelly (Grayburg) (Oil – 50350), Paddock (Oil – 49210), Southwest Eunice-San Andres (Oil – 24180) and Tubb Oil & Gas (Oil – 60240) Pool production from the following-described wells located on the Texaco E. A. Sticher and R. L. Clifton Fee Leases within the SW/4 of Section 4, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico:

Well: Texaco E.A. Sticher Well No. 1 (API: 30-025-10038)
Dedicated Acreage: NE/4 SW/4 of Section 4
Pool: Paddock Pool

Well: Texaco E.A. Sticher Well No. 2 (API: 30-025-10039)
Dedicated Acreage: NW/4 SW/4 of Section 4
Pool: Penrose-Skelly (Grayburg) Pool

Well: Texaco E.A. Sticher Well No. 3 (API: 30-025-10040)
Dedicated Acreage: NE/4 SW/4 of Section 4
Pool: Penrose-Skelly (Grayburg) Pool

Well: Texaco E.A. Sticher Well No. 4 (API: 30-025-10041)
Dedicated Acreage: NW/4 SW/4 of Section 4
Pool: Southwest Eunice-San Andres Pool

Well: R. L. Clifton Well No. 2 (API: 30-025-10046)
Dedicated Acreage: SW/4 SW/4 of Section 4
Pool: Tubb Oil & Gas Pool

Production from the wells shall be determined as follows:

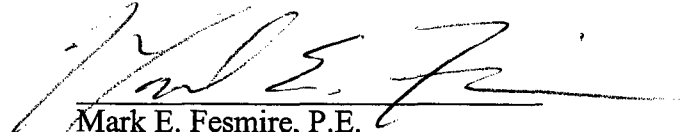
Each grouping of wells with identical ownership shall be continuously metered prior to commingling and sales. Within each identically owned set of wells, allocation of production may be made on the basis of periodic well tests.

Production from each of the subject wells shall be stored at a central tank battery located on the Texaco E. A. Sticher Lease within the SW/4 of Section 4, Township 22 South, Range 37 East, NMPM.

The producer is responsible for notifying the transporter of this commingling authority.

The operator shall notify the Hobbs district office of the Division prior to implementing commingling operations.

DONE at Santa Fe, New Mexico, on this 18th day of August, 2005.


Mark E. Fesmire, P.E.
Division Director

MEF/drc

cc: Oil Conservation Division – Hobbs