

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PLC-235

EOG Resources, Inc. PO Box 2267 Midland, Texas 79702

Attention: Mr. Stan Wagner

The above named company is hereby authorized to surface commingle oil and natural gas production from operated wells within the following pools and acreage located in Lea County, New Mexico.

Huber 17 Federal Well No. 1, South Corbin-Bone Spring (Oil 13160), 40 acres, SW/4 SW/4, Section 17, Township 18 South, Range 33 East, NMPM.

Huber 17 Federal Well No. 2, South Corbin-Wolfcamp (Oil 13320), 80 acres, N/2 SW/4, Section 17, Township 18 South, Range 33 East, NMPM.

It is our understanding ownership in these wells is diverse. Gas allocation meters shall be installed on all wells included in this commingle and regularly calibrated for accuracy. In addition oil meters shall be installed and maintained on each well downstream of each separator. The gas and oil meter volumes shall be utilized to allocate production and sales between each well approved in this commingle.

The measurement and sales point for commingled liquids and gas may occur off lease. The producer is responsible for notifying the transporter of this commingling authority.

The operator shall notify the Artesia district office of the Division prior to implementation of the commingling process.

DONE at Santa Fe, New Mexico, on this 5th day of August 2003.

LORI WROTENBERY,
Division Director

LW/wvjj

cc:

Oil Conservation Division - Artesia Bureau of Land Management - Carlsbad