

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson Governor Joanna Prukop Cabinet Secretary Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PLC-222

ChevronTexaco Exploration & Production Inc. 15 Smith Road Midland, Texas 79705

Attention: Ms. Carolyn J. Haynie

The above-named company is hereby authorized to commingle production from the Penrose-Skelly (Oil – 50350), Blinebry Oil & Gas (Prorated Gas – 72480), Tubb Oil & Gas (Prorated Gas – 86440), Blinebry Oil & Gas (Oil – 06660), Paddock (Oil – 49210) and Hare Simpson (Oil – 29830) Pools from the following wells/leases:

Lease:

J. N. Carson NCT-A Lease

Description:

NE/4 SW/4, W/2 SE/4 of Section 28, Township 21 South, Range 37 East, NMPM;

Wells:

J. N. Carson NCT-A Well No. 1 (API No. 30-025-06830)

Unit K, Penrose-Skelly Pool

J. N. Carson NCT-A Well No. 5 (API No. 30-025-06814)

Unit J, Hare-Simpson Pool

J. N. Carson NCT-A Well No. 9 (API No. 30-025-06850)

Unit K, Blinebry Oil & Gas/Tubb Oil & Gas Pools

J. N. Carson NCT-A Well No. 10 (API No. 30-025-06816)

Unit J, Blinebry Oil & Gas Pool

J. N. Carson NCT-A Well No. 11 (API No. 30-025-06817)

Unit K, Paddock Pool

Lease:

J. N. Carson NCT-C Lease

Description:

NE/4 SE/4 of Section 28, Township 21 South, Range 37 East, NMPM:

J. N. Carson NCT-C Well No. 9 (API No. 30-025-06836)

Unit I, Blinebry Oil & Gas Pool

All in Lea County, New Mexico

ChevronTexaco Exploration & Production Inc. Commingling Order PLC-222 January 21, 2003 Page 2

Production from each lease/well shall be determined on the basis of well tests.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Hobbs district office of the Division upon commencement of commingling operations.

Done, at Santa Fe, New Mexico on this 21st day of January, 2003.

LORI WROTENBERY,

Division Director

LW/DRC

cc: Oil Conservation Division - Hobbs