



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Surface Commingling Order PLC-296

Chevron Midcontinent, L.P.
15 Smith Road
Room 3321
Midland, TX 79705

Attention: Carolyn Haynie

Chevron Midcontinent, L.P. is hereby authorized to surface commingle oil and gas production from the following Pools:

North Loving; Morrow Gas Pool (80695)
East Loving; Brushy Canyon Pool (40350)
South Culebra Bluff; Bone Spring Pool (15011)

and from the following four, diversely owned, wells located on fee leases in Eddy County, New Mexico:

Pardue Farms 26 Well No. 1 (API 30-015-22627)
Unit E, Section 26, Township 23 South, Range 28 East, NMPM
W/2 of Section 26, 320 acre dedication: Undesignated North Loving; Morrow Gas Pool

Pardue Farms 26 Well No. 2 (API 30-015-22647) DHC-2756
Unit D; Section 26, Township 23 South, Range 28 East, NMPM
NW/4 NW/4 of Section 26, 40 acre dedication: East Loving; Brushy Canyon Pool
N/2 NW/4 of Section 26, 80 acre dedication: South Culebra Bluff; Bone Spring Pool

Pardue Farms 26 Well No. 3 (API 30-015-23612)
Unit F, Section 26, Township 23 South, Range 28 East, NMPM
SE/4 NW/4 of Section 26, 40 acre dedication: East Loving; Brushy Canyon Pool

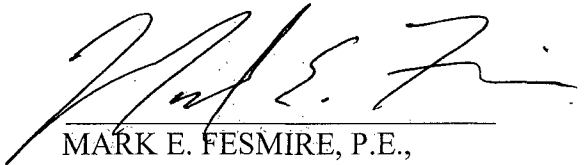
Pardue Farms 26 Well No. 4 (API 30-015-26862)
Unit C, Section 26, Township 23 South, Range 28 East, NMPM
NE/4 NW/4 of Section 26, 40 acre dedication: East Loving; Brushy Canyon Pool

Each of these four diversely owned wells shall be equipped with separators and allocation meters on both oil and gas prior to commingling for sales.

The battery and oil sales point for this commingled production shall be located near the Pardue Farms 26 Well No. 1 (Unit E of Section 26). Gas is approved for off lease measurement and sales after being metered on-lease.

It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Artesia district office of the Division upon commencement of commingling operations.

Done, at Santa Fe, New Mexico on December 12, 2007



MARK E. FESMIRE, P.E.,
Division Director

MEF/wvjj

cc: Oil Conservation Division – Artesia