

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

COMMINGLING ORDER PLC-158

Conoco, Inc. 10 Desta Drive., Suite 100W Midland, Texas 79705

Attention: Ms. Ann E. Ritchie

The above named company is hereby authorized to commingle North Hardy-Strawn (Oil - 96893), and Southeast Monument-Abo (Oil - 96764) Pool production from the following leases:

Lease:	SEMU Well No. 134 (Federal Lease No. LC-031695A)
Description:	SW/4 of Section 30, Township 20 South, Range 38 East, NMPM,
Lease:	SEMU Well No. 135 (Federal Lease No. LC-031696A (Tract 1) and
	B-11349 (Tract 2))
Description:	SE/4 of Section 25, Township 20 South, Range 37 East, NMPM, and
Lease:	SEMU Well No. 136 (Federal Lease No. LC-031696A (Tract 1), B-230
	(Tract 2) and E-1402 (Tract 3))
Description:	SW/4 of Section 25, Township 20 South, Range 37 East, NMPM,

all located in Lea County, New Mexico.

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

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.

REMARKS: The commingled production shall be stored and measured at the SEMU Strawn common tank battery facility located in the SW/4 NE/4 (Unit G) of Section 25, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

FURTHER: The operator shall notify the supervisor of the Hobbs district office prior to implementation of the commingling process.

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NOTE: This order supersedes Division Order CTB-488 and such order is hereby placed in abeyance.

PROVIDING: <u>Validation of this authority shall be accomplished by like approval from the State</u> Land Office and the U.S. Bureau of Land Management.

DONE at Santa Fe, New Mexico, on this 25th day of October, 1999.

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Division Director

LW/MWA/kv

cc: Oil Conservation Division – Hobbs State Land Office – Santa Fe U.S. Bureau of Land Management - Carlsbad