



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

COMMINGLING ORDER PC-949

Conoco, Inc.
10 Desta Drive, Suite 100 West
Midland, Texas 79705-4500

Attention: Mr. Jerry Hoover

Lease: State A-2A Well Nos.5, 6, and 7
Description: SE/4 of Section 2, Township 20 South, Range 37 East, NMPM,
Lea County, New Mexico.

The above-named company is hereby authorized to commingle Skaggs Glorieta (57190), Monument Tubb (47090), and Skaggs Drinkard (57000) Pool production from the above mentioned lease and to determine production from each lease by well tests. (If this method is to be authorized, all production must be of marginal nature. Further, all commingled production must be of identical ownership including working interest, royalty interest and overriding royalty interest.)

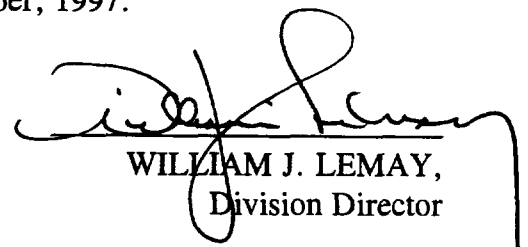
FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

REMARKS: 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.

NOTE: Commingled production shall be stored in the State A-2A tank battery facility located in Unit Letter 'P' of Section 2, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

NOTE: Validation of this authority shall be accomplished with like approval by the Commissioner of Public Lands, New Mexico State Land Office.

DONE at Santa Fe, New Mexico, on this 24th day of September, 1997.


WILLIAM J. LEMAY,
Division Director

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September 24, 1997

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WJL/BES

cc: Oil Conservation Division - Hobbs
State Land Office - Oil & Gas Division