

CORRECTED COMMINGLING ORDER PLC-103

Texaco Exploration & Production, Inc. P.O. Box 730 Hobbs, New Mexico 88241-0730

Attention: Mr. Monte C. Duncan

The above-named company is hereby authorized to commingle Vacuum Abo Reef (61780), Vacuum Drinkard (62110) and Vacuum Atoka (96454) Pool production from the following leases:

Lease:

NM 'R' State NCT-1 Well No.6

Description: SE/4 NE/4 of Section 6, and

Lease:

NM 'AB' State Well Nos.2, 3, 4 and 9

Description: E/2 SE/4, SW/4 SE/4 of Section 6, and

Lease:

NM 'AN' State Well Nos.1, 2, 3, 4, 5, 6 and 7

Description: NE/4, N/2 SE/4 and SW/4 SE/4 of Section 7;

Lease:

Hobbs 'N' State Well No.5

Description: SE/4 NE/4 of Section 8;

all in Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

Lease:

NM 'AE' State Well Nos.9 and 26

Description: NE/4 NW/4 and SW/4 NW/4 of Section 12, Township 18 South,

Range 34 East, NMPM, Lea County New Mexico.

Production shall be allocated to each lease by well tests. (If this method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest, and overriding royalty interest.)

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

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.

NOTE: Validation of this authority shall be accomplished with like approval by the State Land Office.

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REMARKS: The commingled production from the aforementioned leases shall be stored in the Vacuum Abo Consolidated tank battery facility located in Unit Letter 'B' of Section 7, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

DONE at Santa Fe, New Mexico, on this 11th day of December, 1996.

WILLIAM J. LEMAY,

Division Director

WJL/BES

cc: Oil Conservation Division - Hobbs

State Land Office - Oil & Gas Division