



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

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

**COMMINGLING ORDER PLC-162**

Concho Resources, Inc.  
110 W. Louisiana  
Midland, Texas 79701

Attention: Mr. Jim Blount

The above-named company is hereby authorized to commingle South Carlsbad-Morrow (Prorated Gas - 73960) and Frontier Hills-Strawn (Gas - 77190) Pool production from the following leases:

Lease: F.H. "29" Federal Com Lease Well No. 1  
Description: NE/4 SE/4 of Section 29, Township 23 South, Range 26 East, NMPM, and

Lease: F.H. "28" State Lease Well No. 1  
Description: NE/4 NW/4 of Section 28, Township 23 South, Range 26 East, NMPM,

All in Eddy County, New Mexico.

Gas production shall be allocated to each lease by separately metering the production from each lease prior to commingling. Oil production will be measured individually and sold at each well's tank battery.

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 common gas sales meter is located in the NE/4 NW/4 (Unit C) of Section 28, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico.

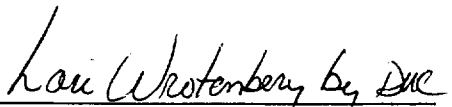
FURTHER: The operator shall notify the Artesia district office of the Division prior to implementation of the commingling process.

PROVIDING: Validation of this authority shall be accomplished by like approval from the State Land Office and the U.S. bureau of Land Management.

*Administrative Commingling Order PLC-162*  
*Concho Resources, Inc.*  
*December 2, 1999*  
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DONE at Santa Fe, New Mexico, on this 2<sup>nd</sup> day of December, 1999.

  
LORI WROTENBERY,  
Division Director

LW/MWA/kv

cc: Oil Conservation Division- Artesia  
Bureau of Land Management – Carlsbad  
State Land Office – Oil & Gas Division