



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

ADMINISTRATIVE ORDER OLS-188

Bargo Petroleum Corporation
700 Louisiana Street, Suite 3700
Houston, Texas 77002

Attention: Ms. Christy Bryant

As an exception to the requirements of Rule 309-A of the Division Rules and Regulations, and pursuant to the provisions of Rule 309-C, the above named company is hereby authorized off-lease storage and measurement for North Dagger Draw-Upper Pennsylvanian (Oil - 15472) Pool production from the following leases:

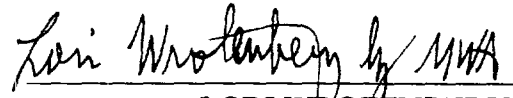
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| Lease: | Bargo Petroleum Corporation Upper Penn Federal Lease (Federal Lease No. NMNM58024) |
| Description: | NE/4 of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico; |
| Lease: | MF Partnership and Gas, Inc. Upper Penn Federal Lease (Federal Lease No. NMNM58023) |
| Description: | NE/4 of Section 24, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico. |

The aforementioned production is to be transported prior to measurement and storage at the Dagger Draw central battery, Bargo Petroleum Corporation Upper Penn Federal Lease (Federal Lease No. NMNM56220), located in the SE/4 of Section 24, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-A and 309-B of the Division Rules and Regulations and there shall be no intercommunication of the handling, separating, treating or storage facilities designated to the above leases.

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

DONE at Santa Fe, New Mexico, on this 6th day of November, 2000.


LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Artesia
Bureau of Land Management – Carlsbad