

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Betty Rivera Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

COMMINGLING ORDER PLC-217

Pogo Producing Company 300 North Maarienfeld, Suite 600 P.O. Box 10340 Midland, Texas 79702-7340

Attention: Ms. Cathy Tomberlin

The New Mexico Oil Conservation Division (OCD) hereby authorizes Pogo Producing Company (Pogo) to surface commingle gas production from Pogo operated wells in these pools and acreage all located in Lea County, New Mexico. Off lease gas sales are also approved within these pool-acreage blocks.

Township 22 South, Range 32 East, NMPM

Red Tank-Bone Spring (Oil 51683) (Units L, M), W/2 SW/4, Section 13 (Units P), SE/4 SE/4, Section 23 (Units K, N), E/2 SW/4, Section 24 (Units A, B, C, F, J, O), E/2 NW/4, W/2 SE/4, NE/4 NE/4, Section 25 West Red Tank-Delaware (Oil 51689) (Units L, M, N), W/2 SW/4, SE/4 SW/4, Section 13 (Units I, O, P), SW/4 SE/4, E/2 SE/4, Section 22 (Units I, P), E/2 SE/4, Section 23 (Units K, N), E/2 SW/4, Section 24 (Units B, D, E, F, G, I, J, K, L, M, N, O, P), W/2 NE/4, W/2 NW/4, SE/4 NW/4, All S/2, Section 25 (Units A, B, C, D, E, F, G, K, L, M, N, P), NE/4 NE/4, W/2 NE/4, SE/4 SE/4, All W/2, Section 26 (Units A, B, C, D, E, F, G, I, J, K, L, M, O, P), NE/4 NE/4, W/2 NE/4, All NW/4, All SE/4, NE/4 SW/4, W/2 SW/4, Section 27 (Units A, I), NE/4 NE/4, NE/4 SE/4, Section 28 (Units A, B, D, E, G, H), All NE/4, W/2 NW/4, Section 34 (Units A, D, H), E/2 NE/4, NW/4 NW/4, Section 35

Township 22 South, Range 33 East, NMPM

East Red Tank-Bone Spring (Oil 51687)

(Units L, M), W/2 SW/4, Section 30 (Units E), SW/4 NW/4, Section 31

West Red Tank-Delaware (Oil 51689)

(Units E), SW/4 NW/4, Section 30 (Units D, E), W/2 NW/4, Section 31 Administrative Order PLC-217 Pogo Producing Company October 24, 2002 Page 2

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

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

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 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.

DONE at Santa Fe, New Mexico, on this 24th day of October 2002.

<u>f</u>ori Wrotenber<u>y</u>

LORI WROTENBERY, Division Director

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