



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-220

(Corrected 11/19/02)

Xeric Oil & Gas Corporation
1801 W. Texas
P.O. Box 352
Midland, Texas 79702

Attention: Ms. Angie Crawford

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

Township 20 South, Range 39 East, NMPM

DK-Abo (Oil 15200)

Unit M, Section 17 (40 acres)

DK-Drinkard (Oil 15390)

Unit D, Section 20 (40 acres)

Unit M, Section 17 (40 acres)

The following wells are included in this commingle at this time.

Porfidio State Well No.1 API No. 30-025-35890
Unit M, Section 17, Township 20 South, Range 39 East, NMPM,
Undesignated D-K-Drinkard (Oil 15390), and
Undesignated D-K-Abo (Oil 15200) Pools
Down hole commingled under Division Order DHC-3063

Julio State Well No.1 API No. 30-025-35889
Unit D, Section 20, Township 20 South, Range 39 East, NMPM,
Undesignated D-K-Drinkard (Oil 15390) Pool

Production shall be allocated to each lease and pool by periodic well tests.

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.

Administrative Order PLC-220

Xeric Oil & Gas Corporation

November 13, 2002

Page 2

DONE at Santa Fe, New Mexico, on this 13th day of November 2002. **This order is retroactive to September 3rd, 2002.**

Lori Wrotenbery (LWD)

LORI WROTENBERY,
Division Director

LW/wvjj

cc: Oil Conservation Division – Hobbs
State Land Office – Santa Fe



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-220
(Corrected 11/15/02)

Xeric Oil & Gas Corporation
1801 W. Texas
P.O. Box 352
Midland, Texas 79702

Attention: Ms. Angie Crawford

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

Township 20 South, Range 39 East, NMPM
DK-Abo (Oil 15200)

Unit M, Section 17 (40 acres)

DK-Drinkard (Oil 15390)

Unit D, Section 20 (40 acres)

Unit M, Section 17 (40 acres)

The following wells are included in this commingle at this time.

Porfidio State Well No.1 API No. 30-025-35890
Unit M, Section 17, Township 20 South, Range 39 East, NMPM,
Undesignated D-K-Drinkard (Oil 15390), and
Undesignated D-K-Abo (Oil 15200) Pools
Down hole commingled under Division Order DHC-3063

Julio State Well No.1 API No. 30-025-35889
Unit D, Section 20, Township 20 South, Range 39 East, NMPM,
Undesignated D-K-Drinkard (Oil 15390) Pool

Production shall be allocated to each lease and pool by periodic well tests.

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.

Administrative Order PLC-220
Xeric Oil & Gas Corporation
November 13, 2002
Page 2

DONE at Santa Fe, New Mexico, on this 13th day of November 2002.

Lori Wrotenberg (wvj)
LORI WROTENBERY,
Division Director

LW/wvj

cc: Oil Conservation Division – Hobbs
State Land Office – Santa Fe



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

COMMINGLING ORDER PLC-220

Xeric Oil & Gas Corporation

1801 W. Texas

P.O. Box 352

Midland, Texas 79702

Attention: Ms. Angie Crawford

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

Township 20 South, Range 39 East, NMPM

DK-Abo (Oil 15200)

Unit D, Section 20 (40 acres)

Unit M, Section 17 (40 acres)

DK-Drinkard (Oil 15390)

(Unit D), Section 20 (40 acres)

(Unit M), Section 17 (40 acres)

The following wells are included in this commingle at this time.

Porfidio State Well No.1 API No. 30-025-35890

Unit M, Section 17, Township 20 South, Range 39 East, NMPM,

Undesignated D-K-Drinkard (Oil 15390), and

Undesignated D-K-Abo (Oil 15200) Pools

Down hole commingled under Division Order DHC-3063

Julio State Well No:1 API No. 30-025-35889

Unit D, Section 20, Township 20 South, Range 39 East, NMPM,

Undesignated D-K-Abo (Oil 15200),

Undesignated D-K-Drinkard (Oil 15390) Pools

Will be down hole commingled.

Production shall be allocated to each lease and pool by periodic well tests.

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 13th day of November 2002.

Lori Wrotenberg (wvj)
LORI WROTENBERG,
Division Director

LW/wvj

cc: Oil Conservation Division – Hobbs
State Land Office – Santa Fe