

NEW MEXICO OIL CONSERVATION COMMISSION  
POST OFFICE BOX 2088  
SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER PC- 531

Company Continental Oil Co.  
Address P. O. Box 460  
City, State, Zip Hobbs, New Mexico 88240

Attention: Mr. L. P. Thompson

Lease Name: Levers Federal  
Description: All of Section 2, Township 21 South, Range 25 East,  
NMPM, Eddy County

The above-named company is hereby authorized to commingle/distillate  
production from the following pools

Springs-Upper Penn (Well No. 1)  
Catclaw Draw-Morrow (Well No. 2)

in a common tank battery, and to determine the production from each  
pool by

       separately metering the production from each pool prior to  
commingling

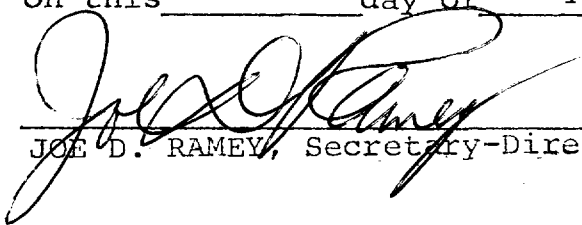
  X   separately metering the distillate from the Catclaw Draw-  
Morrow  
and determining the Upper Springs-Penn distillate  
production by the subtraction method

       well tests (if this method is to be authorized, all commingled  
production must be of marginal nature; further, the operator  
shall notify the Santa Fe Office of the Commission in the event  
any well producing into the commingled battery becomes capable  
of top allowable production, at which time the Commission will  
amend this order or take such other action as may be appropriate)

Note: This installation shall be installed and operated in accordance  
with the applicable provisions of Rule 303 of the Commission  
Rules and Regulations and the Commission "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:

DONE at Santa Fe, New Mexico, on this 28th day of July 19 76.

  
JOE D. RAMEY, Secretary-Director