STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87504 (505) 827-5800

COMMINGLING ORDER PC-827

OXY USA, Inc. P.O. Box 50250 Midland, TX 79710

Attention: Robert P. Elliott

LEASE NAME: Hodges "B" Lease

DESCRIPTION: SW/4 of Section 1, Township 25 South, Range 37 East, NMPM, Lea County.

The above-named company is hereby authorized to commingle North Justis Devonian, Justis Tubb Drinkard and North Justis Fusselman Pool production in a common tank battery and to determine the production from each pool by well tests. (If this method is to be authorized, all commingled production must be of rnarginal nature; further, the operator shall notify the Santa Fe office of the Division in the event any well in the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate.

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implemenation 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.

FEMARKS: This order supersedes and deletes Divison Administrative Order No. PC-43.

CONE at Santa Fe, New Mexico, on this 22nd day of April, 1993.

WILLIAM Director

co: Oil Conservation Division- Hobbs