

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Mark E. Fesmire, P.E.
Director
Oil Conservation Division

COMMINGLING ORDER PLC-275-A

BEPCO, L.P. P.O. Box 2760 Midland, Texas 79702-2760

Attention: Ms. Ann Moore

The above-named company is hereby authorized to surface commingle Northwest Corral Canyon-Delaware (Oil - 96464) and Nash Draw-Delaware/Bone Spring (Avalon Sand) Pool (Oil - 47545) Pool production from the following-described Federal and State leases located in Eddy County, New Mexico:

Lease:

Poker Lake Unit

Description*: SE/4 SE/4 of Section 30, Township 24 South, Range 30 East, NMPM;

Wells:

Poker Lake Unit Well No. 227 (API No. 30-015-33929) Unit P,

Nash Draw-Delaware/Bone Spring (Avalon Sand) Pool

Lease:

Horned Toad "36" State Lease

Description:

S/2 NE/4 & E/2 SE/4 of Section 36, Township 24 South, Range 29 East, NMPM;

Wells:

Horned Toad "36" State Well No. 7 (API No. 30-015-34347) Unit G,

Northwest Corral Canyon-Delaware Pool & Nash Draw-Delaware/Bone Spring

(Avalon Sand) Pool

Horned Toad "36" State Well No. 1H (API No. 30-015-34764)

Nash Draw-Delaware/Bone Spring (Avalon Sand) Pool

Production shall be allocated as follows:

Production from the Horned Toad "36" State Wells No. 1H and 7 may be combined and the resulting production stream shall be measured prior to commingling.

Production from the Poker Lake Unit Well No. 227 shall be separately measured prior to commingling.

Production shall be commingled and stored at the Poker Lake Unit Well No. 227 Tank Battery located in Unit P of Section 30, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico.

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It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Artesia District Office of the Division upon commencement of commingling operations.

*(The Poker Lake Unit, originally approved by Division Order No. R-153 dated May 1, 1952, originally contained approximately 68,991 acres. For purposes of this surface commingling order, only that acreage currently dedicated to the Poker Lake Unit Well No. 227 is listed.)

Done, at Santa Fe, New Mexico on this 7th day of May, 2007.

MARK E. FESMIRE, P.E.,

Division Director

MEF/drc

cc: Oil Conservation Division – Artesia
Bureau of Land Management-Carlsbad
State Land Office-Oil & Gas Division