



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.

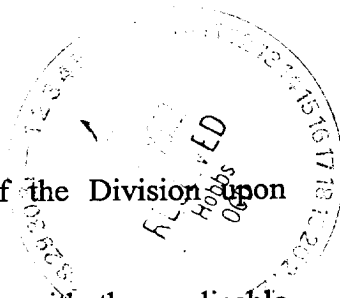
Porfidio State Well No.1 API No. 30-025-35890
Unit M, Section 17, Township 20 South, Range 39 East, NMPM,
Undesignated D-K-Drinkard (Oil 15390), and
Undesignated D-K-Abo (Oil 15200) Pools
Down hole commingled under Division Order DHC-3063

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.



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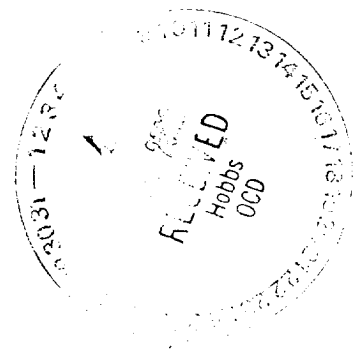
DONE at Santa Fe, New Mexico, on this 13th day of November 2002. **This order is retroactive to September 3rd, 2002.**

Lori Wrotenberg (WVJ)

LORI WROTENBERY,
Division Director

LW/wvj

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





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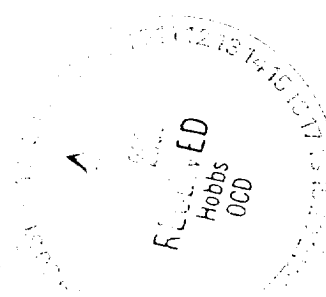
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LORI WROTENBERY,
Division Director

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cc: Oil Conservation Division -- Hobbs ✓
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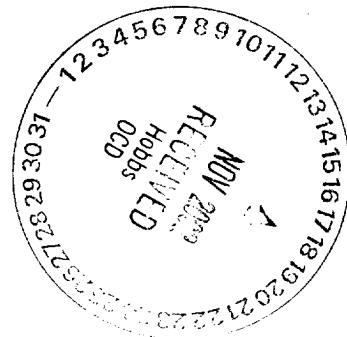
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Unit D, Section 20, Township 20 South, Range 39 East, NMPM,
Undesignated D-K-Abo (Oil 15200),
Undesignated D-K-Drinkard (Oil 15390) Pools
Will be down hole commingled.

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