



FILE RECORD COPY

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

COMMINGLING ORDER PLC-177

Myco Industries, Inc.
P.O. Box 840
Artesia, New Mexico 88210

Attention: Mr. A. Nelson Muncy

The above named company is hereby authorized to commingle Sand Dunes-Bone Spring (Oil - 53800) and ~~West~~ Sand Dunes-Delaware (Oil - 53815) Pool production from the following leases: *East*

Lease: Sharbro Federal Lease Wells No. 1 (API No. 30-025-33054), 6 (API No. 30-025-35048), 7 (API No. 30-025-35144), 8 (API No. 30-025-35154), (Federal Lease No. NM-62223)

Description: W/2 NW/4, N/2 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 7, Township 23 South, Range 32 East, NMPM;

Lease: Blue Quail Federal Lease Wells No. 1 (API No. 30-025-33222), 2 (API No. 30-025-35047), (Federal Lease No. NM-86151)

Description: S/2 SW/4, and SW/4 SE/4 of Section 7, Township 23 South, Range 32 East, NMPM; and

Lease: Bitsy Federal Lease Well No. 1 (API No. 30-025-33398), (Federal Lease No. NM-86923)

Description: NE/4, and E/2 NW/4 of Section 7, Township 23 South, Range 32 East, NMPM;

Lea County, New Mexico.

Production shall be allocated to each lease by well tests. This method is authorized only so long as all commingled production is of identical ownership including working interest, royalty interest, and overriding royalty interest.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B 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.

REMARKS: The commingled production shall be measured and stored in the Sharbro Federal Well No. 1 tank battery facility located in the SE/4 SE/4 of Section 7, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

FURTHER: The operator shall notify the Hobbs district office of the Division prior to implementation of the commingling process.

Administrative Order PLC-177

Myco Industries, Inc.

November 13, 2000

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PROVIDING: Like approval from the U.S. Bureau of Land Management is also required.

DONE at Santa Fe, New Mexico, on this 13th day of November, 2000.

LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Hobbs /
U.S. Bureau of Land Management – Carlsbad