STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING SOVERNOR ANITA LOCKWOOD

CABINET SECRETARY

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

COMMINGLING ORDER CTB-395

Bison Petroleum Corporation 5809 South Western, Suite 200 Amarillo, TX 79110-3607

Attention: Bruce O. Barthel

The above named company is hereby authorized to commingle Allison Penn Pool production from the following leases:

Lease: State "BPA" Lease (E-6327)

Description: NW/4 of Section 32, Township 8 South, Range 37 East, NMPM; and

Lease: State (V-23)

Description: SW/4 NE/4, NW/4 SE/4 of Section 32, Township 8 South, Range 37 East, NMPM,

both in Roosevelt County, New Mexico.

Production shall be allocated to each lease by well tests. (All commingled production must be of marginal 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.)

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." If is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: Gas from the State "BPA" Well Nos. 1 and 2 and the State Well No. 1 will be sold through a meter at the State Well No. 1 location. Condensate from these three wells will also be stored in a tank at the State Well No. 1 location.

DONE at Santa Fe, New Mexico, on this 4th day of May, 1994.

WILLIAM J. LEMAY,

Division Director

cc: Oil Conservation Division - Hobbs

NM State Land Office - Oil & Gas Division