



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

COMMINGLING ORDER CTB-445

Titan Resources, L.P.
500 West Texas St., Suite 500
Midland, Texas 79701

Attention: Ms. Therese Cone

The above named company is hereby authorized to commingle Southeast Chaves Queen Gas Area (Associated - 12110) Pool production from the following leases:

Lease: Arco Federal Com Well No.1 (Federal Lease No.NM-0349837)
Description: NE/4 of Section 7, Township 14 South, Range 31 East, and,

Lease: Apache Federal Com Well No.1 (NM-17594)
Description: SE/4 of Section 30, Township 13 South, Range 31 East, and,

Lease: Oxy Federal Com Well Nos.1 and 2 (NM-080128)
Description: NE/4 and SW/4 of Section 29, Township 13 South, Range 31 East, and,

Lease: Dalport Federal Com Well No.1 (NM-17432)
Description: SW/4 of Section 20, Township 21 South, Range 23 East, and,

Lease: Friend Federal Well No.1 (NM-17594)
Description: NW/4 of Section 21, Township 13 South, Range 23 East,

All in Chaves County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each pool prior to commingling.

NOTE: The commingled production shall be delivered to a central sales meter located in Unit Letter 'A' of Section 30, Township 13 South, Range 31 East.

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.

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

Amended Commingling Order CTB-445

Titan Resources, L.P.

April 22, 1997

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PROVIDING: Validation of this authority shall be accomplished by like approval by the U.S. Bureau of Land Management.

DONE at Santa Fe, New Mexico, on this 22nd day of April, 1997.

by [Signature] Deputy Director

WILLIAM J. LEMAY,
Division Director

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