



NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7134

ADMINISTRATIVE ORDER CTB-977

Mack Energy Corporation
P.O. Box 960
Artesia, New Mexico 88211-0960

Attention: Ms. Crissa D. Carter

The above named company is hereby authorized to commingle Loco Hills Abo Pool (39500) production from the following leases:

Lease: McIntyre 'A' Well No.4 (Federal Lease No.LC-054280)
Description: NE/4 SE/4 of Section 20,

Lease: McIntyre 'A' Well No.8 (Federal Lease No.LC-057634)
Description: NW/4 SE/4 of Section 20,

both located in Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

Production shall be allocated to each lease 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.

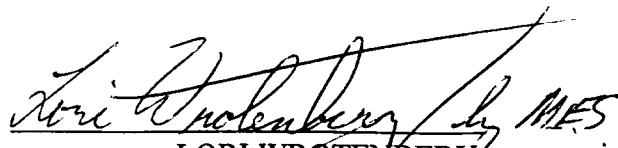
REMARKS: The operator shall notify the Artesia District Office of the Division upon implementation of the commingling process.

NOTE: The aforementioned production is to be transported prior to measurement to its own tank battery facility located in Unit Letter 'N' of Section 20, Township 17 South, Range 30 East, NMPM, at the Mack 'SW' central tank battery facility in Eddy County, New Mexico.

FURTHER: 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.

NOTE: This order replaces Division Order OLS-183 and such order shall be placed in abeyance.

DONE at Santa Fe, New Mexico, on this 21st day of July, 1998.


LORI WROTENBERY,
Division Director

LW/BES
cc: Oil Conservation Division - Artesia
Bureau of Land Management - Carlsbad