



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 PC-1038

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

Attention: Ms. Crissa D. Carter

LEASE: White Oak State Lease (State Lease No. VB-492)
DESCRIPTION: N/2 NE/4, SE/4 NE/4, NE/4 SE/4, S/2 SE/4 of Section 23, Township 17
South, Range 28 East, NMPM,
Eddy County, New Mexico

The above-named company is hereby authorized to commingle Red Lake Queen-Grayburg-San Andres (Oil - 51300) and Empire-Yeso (Oil - 96210) Pool production from the above mentioned lease and to determine production from each pool by monthly well tests.

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.

REMARKS: The commingled production shall be stored at a central tank battery located in Unit P of Section 23, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

FURTHER: The operator shall notify the Artesia District Office of the Division upon implementation of commingling operations.

DONE at Santa Fe, New Mexico, on this 8th day of May, 2001.

LORI WROTENBERY,
Division Director

LW/DRC

cc: Oil Conservation Division- Artesia
State Land Office-Oil & Gas Division