STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87501

COMMINGLING ORDER CTB-307

Gulf Oil Exploration & Production Co. P.O. Box 670 Hobbs, NM 88240

Attention: R. C. Anderson

The above-named company is hereby authorized to commingle Penrose Skelly pool production from the following leases:

Lease Name: Lee Stebbins (NCT-A) Well No. 1 Description: Sec. 5, T-22S, R-37E, Lea County, NM

Lease Name: Lee Stebbins (NCT-B) Well No. 2 Description: Sec. 5, T-22S, R-37E, Lea County, NM

Production shall be allocated to each lease by well tests (if this method or the subtraction method above is to be authorized, all commingled production must be of identical ownership: 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.

DONE at Santa Fe, New Mexico, on this ____ day of July, 1984.

JOE D. RAMEY, Division Director