STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS GOVERNOR

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

COMMINGLING ORDER PC-754

Conoco, Inc. P.O. Box 460 Hobbs, NM 88240

Attention: David L. Wacker

LEASE NAME:

Jicarilla "22" Lease

DESCRIPTION:

Sections 15, 16, 21 and 22, Township 25 North,

Range 4 West, NMPM, Rio Arriba County, New Mexico.

The above-named company is hereby authorized to commingle West Lindrith Gallup Dakota and Blanco Mesaverde Pool production in a common tank battery and in a common gas sales line and to determine the production from each pool by well tests. 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.)

installation shall be installed and operated in NOTE: This 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.

Gas production from current or future Mesaverde gas REMARKS: wells shall be separated and metered prior to being commingled in a common sales line.

DONE at Santa Fe, New Mexico, on this 26th day of October, 1988.

Division Director