STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

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

COMMINGLING ORDER PC-870

Amoco Production Company P.O. Box 800 Denver, CO 80201

Attention: J.W. Hawkins

LEASE NAME: Jicarilla "B" Well No. 2-E

DESCRIPTION: Otero Chacra Pool: S/2 and, Basin Dakota Pool: S/2 of Section 16, Township

26 North, Range 5 West, Rio Arriba County, New Mexico.

The above-named company is hereby authorized to commingle Otero Chacra Pool and Basin Dakota Pool Pool production in a common separator and meter run, and to determine the production from each pool by well tests to be conducted on a bi-annual basis. (All 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.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

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: Production may be allocated based on historical percentages for individual pools until no later than June 1994 at which time the bi-annual well tests will commence.

DONE at Santa Fe, New Mexico, on this 20th day of October, 1993.

WILLIAM/J. LEMAY, Director

cc: Oil Conservation Division- Aztec

US Bureau of Land Management - Farmington (Attention: John Keller)