OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

AMENDED COMMINGLING ORDER PLC-59

Texaco Exploration & Production, Inc. P.O. Box 730 Hobbs, New Mexico 88241-0730

Attention: Mr. Greg Maes

The above-named company is hereby authorized to commingle Southwest Eunice San Andres (24180), Blinebry Oil & Gas (6660) and Drinkard (19190) Pool production from the following leases:

Lease:

C.P. Falby 'A' Federal Lease (LC-033706-A)

Description:

NW/4, and;

Lease:

C.P. Falby 'B' Federal Lease (LC-033706-B)

Description:

SW/4, and;

both in Section 8, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

Production shall be allocated to each lease by well tests. (If this method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest, and overriding royalty interest.)

FURTHER: The operator shall notify the Artesia 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 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.

REMARKS: The commingled production from the aforementioned leases shall be stored in the Falby A & B Consolidated tank battery facility located in Unit Letter 'K' of Section 8, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

DONE at Santa Fe, New Mexico, on this 24th day of September, 1997.

WILLIAM J. LEMAY,

Division Director

WJL/BES

cc:

Oil Conservation Division - Hobbs

Bureau of Land Management - Carlsbad