



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

SURFACE COMMINGLING ORDER PC-1173

Burnett Oil Company, Inc.
801 Cherry Street – Unit #9
Burnett Plaza – Suite 1500
Fort Worth, TX 76102-6881

Attention: James H. Arline

The above named company (OGRD 3080) is hereby authorized to surface commingle oil and gas in the Loco Hills; Paddock (96718) Pool and the Grayburg Jackson; SrQnGbgSA (28509) Pool from the following wells in the Gissler A (2388) lease as follows:

Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico
Federal Lease NMLC029338A

| API WELL # | Lease Name | Well Num | Type | Sec | U L | Feet | N S | Feet | EW | Upper Pool | Lower Pool |
|--------------|------------|----------|------|-----|--------|------|--------|------|----|------------------------------|---------------------|
| 30-015-25765 | Gissler A | 14 | O | 14 | A | 660 | N | 780 | E | Grayburg Jackson; 7r-Qn-G-SA | |
| 30-015-25875 | Gissler A | 15 | O | 12 | M | 760 | S | 560 | W | Grayburg Jackson; 7r-Qn-G-SA | |
| 30-015-31111 | Gissler A | 29 | O | 11 | P | 1070 | S | 860 | E | | Loco Hills; Paddock |

It is our understanding that ownership is identical in and between all pools and wells involved in this commingle. Oil and gas production shall be allocated to each well based on well tests.

NOTE: It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the supervisor of the Artesia district office prior to implementation of this commingling operation.

DONE at Santa Fe, New Mexico, on October 25, 2006.



Mark E. Fesmire, P.E.,
Director

MEF: wvjj

cc: Oil Conservation Division – Artesia
Bureau of Land Management – Carlsbad