NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Cross Timbers Operating Company
2700 Farmington Avenue
Building K, Suite 1
Farmington, New Mexico 87401

Attention: Mr. Ray Martin

The above named company is hereby authorized to commingle gas production from the Otero-Chacra (Gas – 82329), Armenta-Gallup (Oil –2290), Aztec Pictured Cliffs (Gas – 71280), Aztec-Fruitland Sand (Gas – 71200) and Basin-Dakota (Prorated Gas – 71599) Pools from the following leases:

Lease: Abrams, Abrams "J" and Keys Fee Leases
Description: S/2 of Section 29, Township 29 North, Range 10 West, NMPM,
                  San Juan County, New Mexico.

There are currently three wells producing within this area, described as follows:

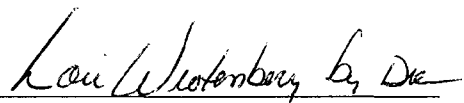|			
Keys Gas Com "D" No. 1E	(API No. 30-045-23729)	Unit I,	Basin-Dakota Gas Pool
Abrams Gas Com "D" No. 1	(API No. 30-045-07822)	Unit I,	Aztec-Pictured Cliffs/ Aztec-Fruitland Sand Pools
Abrams "J" No. 1	(API No. 30-045-25521)	Unit I,	Otero-Chacra/ Armenta-Gallup Pools

Production shall be allocated by metering the gas production from each of the wells utilizing allocation meters. Gas production shall then be commingled and transported to a gas sales meter located in the NE/4 SE/4 of Section 29. Production shall be allocated back to each well utilizing allocation and sales meter volume data.

No liquids shall be commingled.

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.

FURTHER: The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

LORI WROTENBERY,
Division Director

LW/DRC

cc: Oil Conservation Division – Aztec