STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA GOVERNOR

COMMINGLING ORDER CTB-310

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

Apollo Energy, Inc. P. O. Box 5315 Hobbs, New Mexico 88241

Attention: M. Y. Merchant

The above-named company is hereby authorized to commingle Cato-San Andres pool production from the following leases:

Lease Name: Amco Federal "A" Lease

Description: Unit F, Sec. 4, T-9-S, R-30-E, NMPM

Lease Name: Corder Federal

Description: Unit H, Sec. 5, T-9-S, R-30-E, NMPM

Lease Name: Corder Federal

Description: Unit L, Sec. 4, T-9-S, R-30-E, NMPM,

all in Chaves County, New Mexico

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

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: Tank Battery to be located on the Amco Federal "A" Lease

DONE at Santa Fe, New Mexico, on this 29th day of January, 1985.

R. L. STAMETS, Director