ENERGY AND MINERALS DEPARTMENT





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

COMMINGLING ORDER CTB-328

Texaco USA P.O. Box 730 Hobbs, NM 88240

Attention: J.A. Head

The above-named company is hereby authorized to commingle Saunders Permo Upper Penn pool production from the following leases:

Lease Name: J.M. Huber State NCT-1 Description: NE/4 SE/4 Section 11

Lease Name: J.M. Huber State NCT-2 Description: SW/4 SE/4 Section 11

both in Township 14 South, Range 33 East, NMPM, Lea County, New Mexico.

Production shall be allocated to each lease by well tests (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.

DONE at Santa Fe, New Mexico, on this 29 day of July, 1987.

WILLIAM J. LEMAY, Director