

NEW MEXICO OIL CONSERVATION DIVISION  
POST OFFICE BOX 2088  
SANTA FE, NEW MEXICO 87501

AMENDMENT

COMMINGLING ORDER CTB- 259  
CANCELLATION  
COMMINGLING ORDER CTB-277

Company: Texaco Inc.  
Address: Drawer 728  
City, State, Zip: Hobbs, New Mexico 88240

Attention: Mr. J. V. Gannon

The above-named company is hereby authorized to commingle

Vacuum-Abo Reef

pool production from the following leases:

Lease Name: New Mexico State "AA" (NCT-4)  
Description: E/2 Section 10, Township 17 South, Range 34 East

Lease Name: New Mexico State "AE" (NCT-4)  
Description: All Section 11 and E/2 Sec. 12, Township 17 South,  
Range 34 East

Lease Name: New Mexico State "R" (NCT-4)  
Description: N/2 NW/4 Sec. 17, Township 18 South, Range 35 East

Production shall be allocated to each lease by

       separately metering the production from each lease prior to  
commingling

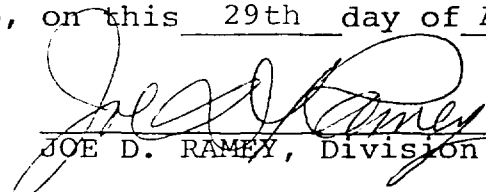
       separately metering the production from the  
and determining the  
production by the subtraction method

  X   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: Prior to this amendment Order CTB-259 authorized commingling  
of NM State "AA" and NM State "AE" production only. Admin-  
istrative Order CTB-277 is hereby cancelled.

DONE at Santa Fe, New Mexico, on this 29th day of August 1978.

  
JOE D. RAMSEY, Division Director