NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PC-1068

Cordillera Energy Inc.
5802 Highway 64
Farmington, New Mexico 87401

Attention: Ms. Kay Eckstein

The above named company is hereby authorized to surface commingle the following pools and acreage within Federal Lease SF-078243 located in Section 18, Township 31 North, Range 12 West, NMPM, San Juan County, New Mexico:

Existing Well: Arnstein Well No. 1B API No. 30-045-31029

This well is dually completed in:

Basin-Dakota (Prorated Gas 71599),	W/2 dedication and
Blanco-Mesaverde (Prorated Gas 72319),	W/2 dedication.

Condensate, water, and gas allocation between zones shall be accomplished through periodic testing. The sales points for gas and condensate shall be located on this lease.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 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 supervisor of the Aztec district office prior to implementation of this commingling operation.

DONE at Santa Fe, New Mexico, on this 29th day of August 2002.

Lori Wrotenbery (wvj)

LORI WROTENBERY,
Division Director

LW/wvj
cc: Oil Conservation Division- Aztec
Bureau of Land Management – Farmington