

COMMINGLING ORDER PC- 581

Company Henry Engineering
Address 807 First National Bank Bldg.
City, State, Zip Midland, Texas 79701

Attention: Mr. James B. Henry

Lease Name: David Fasken El Paso "3" Federal Well No. 1, Unit K,
Description: Sec. 3, T-21-S, R-26-E, Eddy County

The above-named company is hereby authorized to commingle production from the following pools

Avalon Strawn and Avalon Morrow

in a common tank battery, and to determine the production from each pool by

separately metering the production from each pool prior to commingling

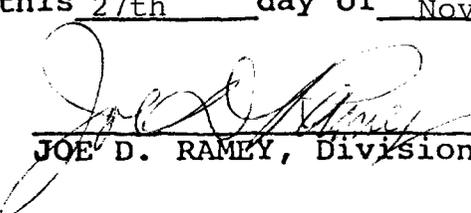
separately metering the production from
and determining the
production by the subtraction method

well tests (if this method is to be authorized, all commingled production must be of marginal nature; further, the operator shall notify the Santa Fe Office of the Division in the event any well producing into the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate)

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.

REMARKS: Production from these two zones in this gas well is authorized for commingling in order to pass the production through a single compressor. Tests shall be taken semi-annually.

DONE at Santa Fe, New Mexico, on this 27th day of November, 1979.


JOE D. RAMEY, Division Director