

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2089
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

COMMINGLING ORDER PC-764

Arch Petroleum Inc.
10 Desta Drive
Suite 420 East
Midland, TX 79705

Attention: David Miller

LEASE NAME: E. C. Hill "D" Federal Lease (LC-064118)
DESCRIPTION: E/2 NE/4 Section 34, W/2 NW/4 Section 35, Township
23 South, Range 37 East, NMPM, Lea County, New
Mexico.

The above-named company is hereby authorized to commingle Teague Devonian and South Teague Abo Pool production in a common tank battery and to determine the production from each pool by well tests. (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 in 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.

DONE at Santa Fe, New Mexico, on this 12th day of October, 1989.


WILLIAM J. LEMAY,
Division Director