



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

COMMINGLING ORDER PC-885

Fasken Oil and Ranch Interests
303 West Wall Avenue, Suite 1900
Midland, TX 79701-5116

Attention: Carl Brown

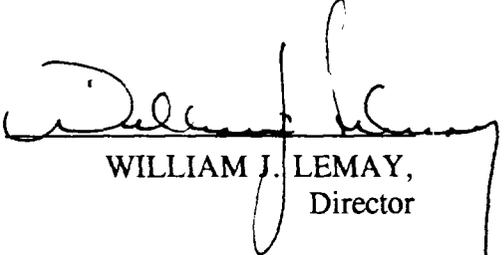
LEASE NAME: El Paso "3" Federal Lease (NM-911)
DESCRIPTION: Lots 9-16, Section 3, Township 21 South, Range 26 East, NMPM,
Eddy County, New Mexico.

The above-named company is hereby authorized to commingle Avalon-Strawn and Undesignated Avalon-Atoka Gas Pool production in a common tank battery and in a common gas sales line and to determine the production from each pool by quarterly 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 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.)

FURTHER: The operator shall notify the Artesia District Office of the Division upon implementation of the commingling process.

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 7th day of February, 1994.


WILLIAM J. LEMAY,
Director

cc: Oil Conservation Division- Hobbs
US Bureau of Land Management - Carlsbad