OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

June 2, 1998

Phillips Petroleum Company 5525 Hwy 64, NBU 3004 Farmington, New Mexico 87401

Attn: Mr. Doyle Pruden

Re: Corrected First Page of Administrative Order CTB-460.

Dear Mr. Pruden:

Enclosed is the corrected first page of your recent permit for surface commingling. The last line on this page indicated the wrong county. Please replace this page in your files.

I apologize for any inconvenience this may have caused.

Thank you for your cooperation.

Very truly yours,

Benjamin E. Stone

P.E. Specialist

/BES

Enclosure

DECEIVED

JUN 1 8 1998

OIL GOM. DIV.

OL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (805) 827-7131

AMENDED COMMINGLING ORDER CTB-460

Phillips Petroleum Company 5525 Hwy 64, NBU 3004 Farmington, New Mexico 87401

Attention: Mr. Doyle Pruden

The above named company is hereby authorized to commingle Basin Fruitland Coal Pool production from the following leases:

Lease:

San Juan 30-5 Unit Well Nos. 202, 203, 204, 205, and 215 (5 wells).

Description:

Sections 5, 6, 7, and 8, Township 30 North, Range 5 West, and;

Lease:

San Juan 31-6 Unit Well Nos.201, 202, 203, 204, 205, 205R, 206, 207, 210,

211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225R,

228, 229, 230, 231, 233, 234, and 234R (31 wells).

Description:

Sections 27, 28, 29, 31, 32, 33, 34, 35 and 36, Township 31 North, and,

Sections 1, 2, 3, 4, and 5, Township 30 North, Range 6 West, NMPM,

all in Rio Arriba County, New Mexico.

Production shall be allocated to each lease by multiplying the sales volume at the CPD by an allocation factor for each well. The allocation factors shall be determined by dividing the individual well production (as recorded by an allocation meter) by the sum of the gas production from all wells connected to the CPD, as determined from such allocation meters.

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: The Central Point of Delivery shall be designated CPD No.1 located in Unit Letter 'N' of Section 1, Township 30 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.