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

COMMINGLING ORDER CTB-456

Phillips Petroleum Company 4001 Penbrook Street Odessa, Texas 79762

Attention: L.M. Sanders

The above named company is hereby authorized to commingle Cabin Lake Delaware (8435) Pool casinghead gas production from the following leases:

Lease:

James 'A' (Federal Lease No.K-3271)

Description:

E/2 of Section 2, Township 22 South, and,

Lease:

James 'E' (Federal Lease No.NM-0479142)

Description:

E/2 of Section 11 and W/2 of Section 12, Township 22 South, and,

Lease: Description:

Description:

Livingston Ridge (Federal Lease No.70335) W/2 of Section 1, Township 22 South, and,

Lease:

Peakview (Federal Lease No.NM-70333) SE/4 of Section 35, Township 21 South,

all in Range 30 East, Eddy County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each lease prior to commingling. An allocation factor may be determined for each lease and multiplied by the total sales meter volume to determine individual lease production.

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 Artesia district office upon implementation of the commingling process.

REMARKS: Production shall be stored in the James 'A' tank battery facility located in SE/4, Section 2, Township 22 South, Range 30 East, NMPM, Eddy County, New Mexico.

DONE at Santa Fe, New Mexico, on this 22nd day of September, 1997

IAM J. LEMAY.

Division Director

WJL/BES

cc:

Oil Conservation Division - Artesia Bureau of Land Management - Carlsbad