



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

COMMINGLING ORDER CTB-486

Concho Resources, Inc.
110 W. Louisiana
Midland, Texas 79701

Attention: Mr. Joe Wright

The above named company is hereby authorized to commingle West Sand Dunes-Delaware (53815) Pool production from the following leases:

Lease: Tomcat "21" Federal Com Well No. 1
(Federal Lease No. NM86153)
Description: NW/4 of Section 21, Township 23 South, Range 32 East, NMPM;
and
Lease: Tomcat "16" State Well No. 2
Description: SW/4 of Section 16, Township 23 South, Range 32 East, NMPM

all located in Lea County, New Mexico.

Gas production shall be allocated to each lease by separately metering the production from each lease prior to commingling. Oil production will be measured individually and sold at each well's tank battery.

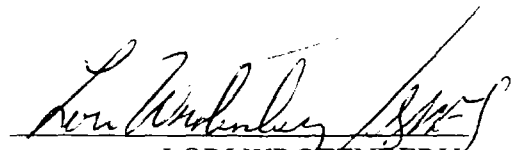
NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: The common gas sales meter is located in NW/4 NW/4 (Unit D) of Section 21, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

FURTHER: The operator shall notify the Hobbs district office of the Division prior to implementation of the commingling process.

PROVIDING: Validation of this authority shall be accomplished by like approval from the U. S. Bureau of Land Management and the State Land Office.

DONE at Santa Fe, New Mexico, on this 7th day of June, 1999.


LORI WROPENBERY,
Division Director

LW/MWA/kv
cc: Oil Conservation Division - Hobbs
Bureau of Land Management - Carlsbad
State Land Office - Oil & Gas Division