



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

COMMINGLING ORDER PC-273
1st Amendment

Apache Corporation
2000 Post Oak Boulevard, Suite 100
Houston, Texas 77056-4400

Attention: Ms. Debra J. Anderson

LEASE: Rinewalt Lease
DESCRIPTION: E/2 NW/4 of Section 4, Township 22 South, Range 37 East, NMPM,
Lea County, New Mexico.

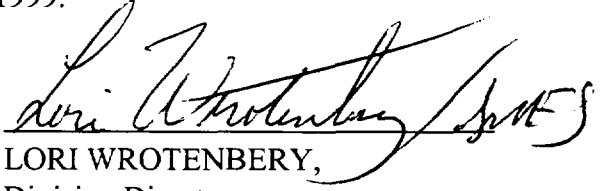
The above-named company is hereby authorized to commingle Drinkard (19190), Tubb Oil & Gas (60240) and Penrose Skelly-Grayburg (50350) Pool production in a common tank battery and to determine the production from each pool by well tests. This method is authorized only so long as all commingled production is of marginal nature; further the operator shall notify the Santa Fe Office of the Division in the event any well on the commingled battery becomes capable of the 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.

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

REMARKS: Commingled production shall be stored in the Rinewalt tank battery facility located in E/2 NW/4 of Section 4, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

DONE at Santa Fe, New Mexico, on this 25th day of May, 1999.


LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Hobbs