NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

AMENDED COMMINGLING ORDER PLC-87

2nd Amendment

Arch Petroleum, Inc. 10 Desta Drive, Suite 240 East Midland, Texas 79705

Attention: Ms. Bobbie Brooks

The above-named company is hereby authorized to commingle Fowler Upper Paddock (Gas - 77080), South Fowler Tubb (26640), Fowler Abo (96455), and Fowler Ellenburger (26410) Pool production from the following leases:

Lease: Plains Knight Lease

Description: N/2 SW/4, SE/4 SW/4 and;

Lease: Bertha Lease Description: SW/4 SW/4;

both in Section 23, Township 24 South, Range 37 East, Lea County, New Mexico.

Production shall be allocated to each lease by well tests. (If this method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest, and overriding royalty interest.)

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

FURTHER: 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.

NOTE: This order supersedes Division Order No.CTB-220.

DONE at Santa Fe, New Mexico, on this 19th day of February, 1996.

WIL**K**IAM J. LEMAY,

Division Director

WJL/BES

cc: Oil Conservation Division - Hobbs

file CTB-220