COMMINGLING ORDER PLC-129

Bass Enterprises Production Company P.O. Box 2760 Midland, Texas 79702

Attention: John R. Smitherman

The above named company is hereby authorized to commingle Los Medanos Delaware (40297) and Los Medanos-Bone Spring (40295) Pool production from the following leases:

Lease:

James Ranch Unit Well Nos.7 and 65 (Federal Lease No.NM-02887-A)

Description: W/2 NE/4, and;

Lease:

James Ranch Unit Well No.30 (Federal Lease No.NM-04473)

, Description: NW/4 SE/4,

all in Section 6, Township 23 South, Range 31 East, Eddy County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each pool prior to commingling.

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.

PROVIDING: The operator shall notify the Artesia district office upon implementation of the commingling process.

FURTHER: Production shall be stored in the James Ranch tank battery facility located in Unit G, Section 6, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico.

REMARKS: Authorization to commingle Los Medanos Bone Spring Pool production was previously granted under Division Order CTB-386. Order PLC-129 supercedes such authorization and Division Order CTB-386 is hereby placed in abeyance.

DONE at Santa Fe, New Mexico, on this 27th day of February, 1997

WILLIAM J. LEMAY Division Director

WJL/BES

Oil Conservation Division - Artesia cc:

Bureau of Land Management - Carlsbad