



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division



COMMINGLING ORDER CTB-535

Southwestern Energy Production Company
2350 N. Sam Houston Parkway East
Houston, Texas 77032

Attention: Ms. Vonnice J. Cermin

The above named company is hereby authorized to commingle and sell off-lease SW Willow Lake-Delaware (Oil 96855) Pool gas production from the following Eddy County, New Mexico leases:

Devon Fee Lease
Falcon "10" Well No. 1 API: 30-015-32571
S/2 NE/4 Section 10;

State Lease No. VA-1722
Peregrine "10" Well No. 1 API: ~~30-015-32312~~
SE/4 SE/4, W/2 SW/4, SE/4 SW/4, N/2 NE/4 Section 10; and

State Lease No. V-5284
Eagle "4" State Well No. 1 API: 30-015-32569
S/2, E/2 NE/4, NW/4 Section 4;

all located in Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

Gas, and water production shall be separately measured for each lease and allocated to each well within each lease based on periodic well tests. Oil shall not be commingled.

Gas production shall be commingled and sold from a CDP located in the SW/4 of Section 3, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

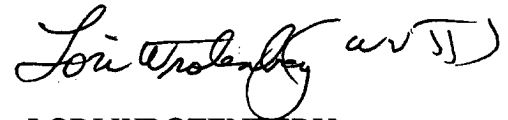
FURTHER: It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Artesia district office of the Division prior to implementation of commingling operations.

Commingling Order CTB-535

May 1, 2003

Page 2

DONE at Santa Fe, New Mexico, on this 1st day of May 2003.

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by the initials "ar JJ" in parentheses.

LORI WROTENBERY
Director

LW/wvjj

cc: Oil Conservation Division - Artesia /
State Land Office - Mineral Resources Division