



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-474 1st Amendment

Texaco Exploration & Production, Inc.
205 East Bender St.
Hobbs, New Mexico 88240

Attention: Mr. Bobby J. Hill

The above named company is hereby authorized to commingle Fren Morrow (96663) Pool production from the following leases:

Lease: Texmack '2' State Well No.1(State Lease No. 912634)
Description: SW/4 SE/4 of Section 2,

Lease: Texmack '11' Federal Well No.1 (Federal Lease No. LC-029418-B)
Description: NE/4 NW4, of Section 11, and;

Lease: Texmack '1' Federal Com Well No.1 (Federal Lease No. NM912932)
Description: SW/4 NW4, of Section 1,

all located in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

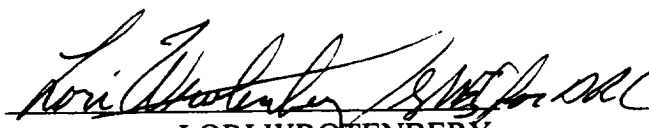
Production shall be allocated by separately metering the production from each lease prior to commingling.

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.

REMARKS: The commingled production shall be stored at the Texmack central tank battery facility located in NE/4 NW/4 (Unit C) of Section 11, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

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

DONE at Santa Fe, New Mexico, on this 27th day of July, 1999.


LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Artesia /
Bureau of Land Management - Carlsbad
State Land Office - Oil & Gas Division