



**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-497

Clayton Williams Energy, Inc.
Claydesta Center
Six Desta Drive, Suite 3000
Midland, Texas 79705



Attention: Mr. Matt Swierc

The above named company is hereby authorized to commingle East Empire-Yeso (Oil - 96610) Pool production from the following leases:

Lease: State "20B" (State Lease No. B-6846)
Description: NE/4 and SW/4 SE/4 of Section 20, Township 17 South, Range 29 East, NMPM; and

Lease: State "20E" (State Lease No. E-4201)
Description: NE/4 NW/4 of Section 20, Township 17 South, Range 29 East, NMPM

all located in Eddy County, New Mexico.

Production shall be allocated to each lease by well tests. This method is authorized only so long as all commingled production is of identical ownership including working interest, royalty interest, and overriding royalty interest.

NOTE: 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.

REMARKS: The commingled production shall be stored and measured at the tank battery facility located in the NE/4 NE/4 of Section 20, Township 17 South, Range 29 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.

PROVIDING: Validation of this authority shall be accomplished by like approval from the New Mexico State Land Office.

DONE at Santa Fe, New Mexico, on this 28th day of March, 2000.

LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Artesia
State Land Office - Oil & Gas Division