COMMINGLING ORDER PC-721

STATE LAND OFFICE E SANTA FE. NEW MEXI (505) 827-5800

Siete Oil & Gas Corporation P. O. Box 2523 Roswell, New Mexico 88201

Attention: Billy G. Underwood Jr.

Lease Name: Geronimo Federal Lease

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O. C. D.
ARTESIA, OFFICE

Description: NE/4, Sec. 24, T-18-S, R-31-E, NMPM Eddy County, New Mexico

The above-named company is hereby authorized to commingle Shugart Yates Seven Rivers Queen Grayburg and Undesignated Delaware pool production in a common tank battery and to determine the production from each pool by separately metering the production from the Delaware Pool and determining the Yates Seven Rivers Queen Grayburg Pool production by the subtraction method.

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: Within the Delaware Pool, the Geronimo Nos. 3 and 4 are to be separately metered. The casinghead gas from each pool is to be separately metered.

DONE at Santa Fe, New Mexico, on this 24th day of February, 1986.

R. L. STAMETS, Director

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