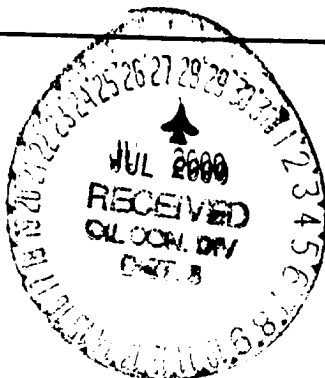




NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division



COMMINGLING ORDER PLC-173

[Signature]
Dugan Production Corp.
P.O. Box 420
Farmington, New Mexico 87499-0420

[Handwritten: Aug. Filed PLC 173]

Attention: Mr. John D. Roe:

The above named company is hereby authorized to commingle Basin-Dakota (Prorated Gas - 71599), Basin-Fruitland Coal (Gas - 71629), and Harper Hill-Fruitland Sand-Pictured Cliffs (Gas - 78160) Pool production from the following leases:

Lease: Com Well No. 1-E (State Lease No. LG-3736)

Description: NE/4 NE/4 of Section 2, Township 29 North, Range 14 West, NMPM;

Lease: Com Well No. 2 (State Lease No. LG-3736)

Description: NE/4 NE/4 of Section 2, Township 29 North, Range 14 West, NMPM;

Lease: Com Well No. 4 (State Lease No. B-11242)

Description: NE/4 NW/4 of Section 2, Township 29 North, Range 14 West, NMPM;

Lease: Federal I Well No. 99 (Federal Lease No. SF 078110)

Description: SE/4 NE/4 of Section 3, Township 29 North, Range 14 West, NMPM;

Lease: Tabor Com Well No. 90 (Federal Lease No. NM-33051)

Description: SE/4 NE/4 of Section 35, Township 30 North, Range 14 West, NMPM;

Lease: Jiggs Well No. 1 (Federal Lease No. NM-0206995)

Description: SW/4 NW/4 of Section 35, Township 30 North, Range 14 West, NMPM; and

Lease: Jiggs Well No. 2 (Federal Lease No. NM-0206995)

Description: NE/4 SE/4 of Section 35, Township 30 North, Range 14 West, NMPM;

all located in San Juan County, New Mexico.