



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

COMMINGLING ORDER CTB-548

Dwight A. Tipton
c/o Oil & Gas Services, Inc.
1008 W. Broadway
Hobbs, New Mexico 88240

Attention: Mr. Trededy S. Grovey

The above named company is hereby authorized to surface commingle West Hume-Queen (Oil-33560) Pool production from the following State of New Mexico leases in Township 16 South, Range 33 East, NMPM, Lea County, New Mexico.

Lease: Pogo Napa State Lease
Description: NW/4 SW/4 of Section 16

Wells: Pogo Napa Well No. 1 (API No. 30-025-28854) Unit L

Lease: Pure State "G" State Lease
Description: SW/4 NE/4, NE/4 SE/4 of Section 16

Wells: Pure State "G" Well No. 1 (API No. 30-025-01259) Unit G
Pure State "G" Well No. 2 (API No. 30-025-01260) Unit I

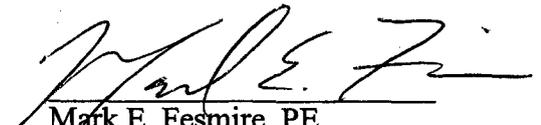
Production shall be allocated to each of the subject state leases on the basis of periodic well tests.

NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.

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

Commingling Order CTB-548
Dwight A. Tipton
November 5, 2004
Page 2 of 2

DONE at Santa Fe, New Mexico, on this 5th day of Novemer, 2004.


Mark E. Fesmire, PE
Director

MEF/drc

cc: Oil Conservation Division – Hobbs
State Land Office-Oil & Gas Division