

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER CTB-535-A

Southwestern Energy Production Company 2350 N. Sam Houston Parkway East Houston, Texas 77032

Attention: Ms. Vonnie J. Cermin

The above named company is hereby authorized to commingle and sell off-lease Southwest Willow Lake-Delaware (Oil - 96855) Pool gas production from the following Eddy County, New Mexico leases:

Devon Fee Lease Falcon "10" Well No. 1 API No. 30-015-32571 Red Tailed Hawk "10" Well No. 1 API No. 30-015-32773 S/2 NE/4 and N/2 NW/4 of Section 10;

State Lease No. VA-1722
Peregrine "10" Well No. 1 API No. 30-015-32312
SE/4 SE/4, W/2 SW/4, SE/4 SW/4, and N/2 NE/4 of Section 10; and

State Lease No. V-5284
Eagle "4" State Well No. 1 API No. 30-015-32569
S/2, E/2 NE/4 and NW/4 of Section 4;

all located in Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

Gas, and water production shall be separately measured for each lease and allocated to each well within each lease based on periodic well tests. Oil shall not be commingled.

Gas production shall be commingled and sold from a CDP located in the SW/4 of Section 3, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

FURTHER: It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Artesia district office of the Division prior to implementation of commingling operations.

Commingling Order CTB-535-A Southwestern Energy Production Company June 11, 2003 Page 2

DONE at Santa Fe, New Mexico, on this 11th day of June 2003.

LORI WROTENBERÝ

Director

LW/DRC

cc: Oil Conservation Division - Artesia

State Land Office - Mineral Resources Division