NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Division Oil Conservation

COMMINGLING ORDER CTB-411

Tamrack Petroleum Company, Inc. 500 West Texas, Suite 1485 Midland, Texas 79701

Attention: T. Wayne Green

The above named company is hereby authorized to commingle Saunders Permo Upper Penn Pool production from the following wells:

Lease:

Lion State Well No.1

Description: NW/4 SE/4, and;

Lease:

Lion State 'A' Well No.2

Description:

SE/4 SE/4, and;

Lease:

Saunders State Well Nos.1 and 3

Description:

SE/4 SW/4 and SW/4 SE/4,

all in Section 9, Township 14 South, Range 33 East, and;

Lease:

Saunders State Well No.2

Description:

SW/4 NW/4,

in Section 9, Township 14 South, Range 33 East, Lea County, New Mexico.

Production shall be allocated to each well by separately metering the production from each lease prior to commingling.

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.

FURTHER: The operator shall notify the Hobbs district office upon implementation of the commingling process.

REMARKS: Commingled production shall be stored in the Saunders and Lion State tank battery facility located in Unit P, Section 9, Township 14 South, Range 33 East, NMPM, Lea County, New Mexico.

DONE at Santa Fe, New Mexico, on this 24th day of July, 1995

WILLIAM J. LEMAY, Division Director

WJL/BES

cc: Oil Conservation Division - Hobbs