



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

COMMINGLING ORDER CTB-346

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Conoco, Inc.
P.O. Box 460
Hobbs, NM 88240

Attention: David L. Wacker

The above named company is hereby authorized to commingle North Dagger Draw Upper Penn Pool production from the following leases:

Lease: Dee State (K-6385)
Description: SE/4 Section 36, T-19S, R-24E, NMPM; and

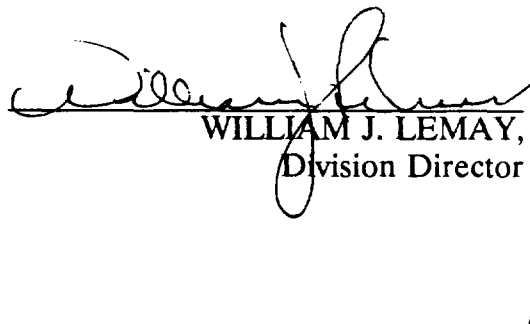
Lease: Dee State (LG-1525)
Description: SW/4 Section 36, T-19S, R-24E, NMPM,

Both in Lea County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each pool 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.

DONE at Santa Fe, New Mexico, on this 9th day of April, 1990.


WILLIAM J. LEMAY,
Division Director

cc: Oil Conservation Division - Hobbs
State Land Office - Santa Fe