STATE OF THE STATE

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

COMMINGLING ORDER PC-665

Consolidated Oil & Gas, Inc. P.O. Box 2038 Farmington, NM 87499

Attention: Barbara Rex

Lease Name: NM 059848

Description: Freeman Well No. 1M, NW/4, Sec. 11, T-31N,

R-13W, San Juan County, NM

The above-named company is hereby authorized to commingle Blanco Mesaverde and Basin Dakota pool production in a common tank battery and to determine the production from each pool by well tests. (If this method is to be authorized, all commingled production must be of marginal nature; further the operator shall notify the Santa Fe Office of the Division in the event any well in the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate.)

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.

REMARKS: Allocation of liquid hydrocarbon production shall be determined by yearly gas-oil ratio tests for each producing zone.

DONE at Santa Fe, New Mexico, on this 24 day of July, 1984.

JOE D. RAMEY, Division Director