The allocation method established herein may be altered at some time subsequent to initiating downhole commingling operations upon request by the operator and for good cause shown.

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 13th day of April, 1998.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBERY

Director

SEAL

LW/DRC

cc: Oil Co

Oil Conservation Division - Hobbs State Land Office-Oil & Gas Div.