



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

COMMINGLING ORDER CTB-402

Meridian Oil Inc.
P. O. Box 51810
Midland, Texas 79710-1810

Attention: Donna J. Williams

The above named company is hereby authorized to commingle Brushy Draw-Delaware Pool production from the following leases:

Lease: Brushy Federal Lease (NM-13997)
Description: SW/4, N/2 SE/4, SW/4 SE/4 of Section 26, Lots 7 & 10 of Section 35, Township 26 South, Range 29 East, NMPM;

Lease: Pecos Federal Lease (NM-58034)
Description: SW/4 NE/4, SE/4 SW/4, S/2 SE/4, Section 27, Township 26 South, Range 29 East, NMPM.

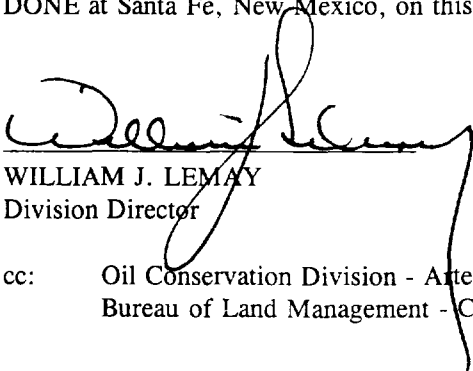
both in Eddy County, New Mexico.

Production shall be allocated to each lease 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 309-B 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: Production shall be stored at a central battery located in the SE/4 SE/4 of Section 27.

DONE at Santa Fe, New Mexico, on this 5th day of December, 1994.


WILLIAM J. LEMAY
Division Director

cc: Oil Conservation Division - Artesia
Bureau of Land Management - Carlsbad