STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

COMMINGLING ORDER CTB-397

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702-0559

Attention: Jim Pruden

The above named company is hereby authorized to commingle Indian Basin Upper Penn Pool production from the following leases:

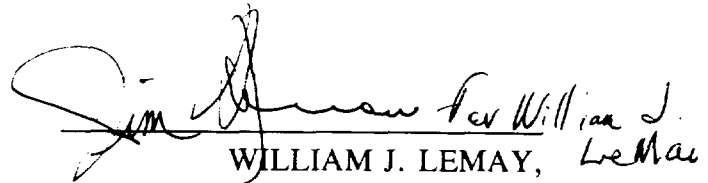|	
Lease:	North Indian Basin Unit
Including:	Federal Lease Nos. NM-0487-B, NM-05608, NM-05551 and NM-05551-B; State Lease Nos. E-7906 and E-10170
Description:	Sections 2 & 11, Twp 21-S, Rge 23-E
Lease:	Bone Flats Federal 12 Lease
Including:	Federal Lease Nos. NM-05608, NM-81677, NM-05551 and NM-05551-A.
Description:	Section 2, Twp 21-S, Rge 23-E
Lease:	MOC Federal Lease
Including:	Federal Lease No. NM-04827-B
Description:	Sections 1, Twp 21-S, Rge 23-E
Lease:	Stinking Draw Lease
Including:	State Lease Nos. K-1877 and E-10169-1
Description:	Section 36, Twp 20 1/2-S, Rge 23-E

All in Eddy County, New Mexico.

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

NOTE: The commingled production shall be stored in a tank battery facility located in Unit Letter D of Section 21 South, Range 23 East.

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." If is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the supervisor of the Artesia district office prior to implemention of the commingling process.

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

WILLIAM J. LEMAY,
Division Director

cc: Oil Conservation Division - Artesia
        U.S. Bureau of Land Management - Carlsbad
        State Land Office - Oil & Gas Division