



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

COMMINGLING ORDER CTB-436

Maralo, Inc.
P.O. Box 832
Midland, Texas 79702-0832

Attention: Ms. Dorothea Logan

The above named company is hereby authorized to commingle Burton Flat Bone Spring Pool (Associated - 96241) production from the following leases:

Lease: Hondo State Com Well No.1
Description: SW/4 NW/4, NW/4 SW/4, and;

Lease: Keystone Well No.4
Description: SE/4 NW/4, NE/4 SW/4

both in Section 32, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico.

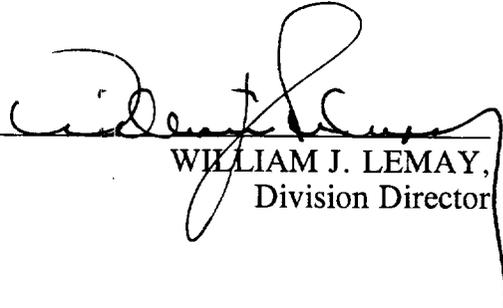
Production shall be allocated to each lease by separately metering the production from each well prior to commingling.

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.

REMARKS: The commingled production shall be stored in the Keystone tank battery facility located in Unit Letter 'F' of Section 32, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico.

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

DONE at Santa Fe, New Mexico, on this 15th day of September, 1996.


WILLIAM J. LEMAY,
Division Director

WJL/BES

cc: Oil Conservation Division - Artesia
State Land Office - Oil & Gas Division