

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

COMMINGLING ORDER CTB-364

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

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

Attention: S.P. Guidry

The above named company is hereby authorized to commingle South Eunice Seven Rivers Queen production from the following leases:

Lease: McDonald State A/C 1 Lease
Description: S/2, NE/4, SE/4 NW/4 Section 16, Township 22 South,
Range 36 East, NMPM

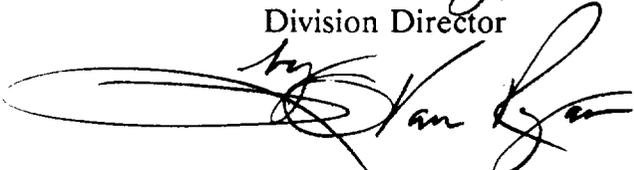
Lease: Maxwell State Lease
Description: NE/4 NW/4 Section 16, Township 22 South, Range 36 East,
NMPM

All in Lea County, New Mexico.

Production shall be allocated to each lease by well tests; (If this method or the subtraction method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest, and overriding royalty interest.)

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.

DONE at Santa Fe, New Mexico, on this 20th day of March, 1992.


WILLIAM J. LEMAY,
Division Director


cc: Oil Conservation Division - Hobbs
State Land Office - Santa Fe