

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-375

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

Attention: Robert A. Biernbaum

The above named company is hereby authorized to commingle South Dagger Draw Upper Penn Associated Pool production from the following leases:

Lease: Indian Hills State Lease No. E-10083
Description: N/2 NW/4, NW/4 NE/4, SE/4 NE/4, W/2 SW/4, SE/4 SW/4 and SW/4 SE/4; and,

Lease: Indian Hills State Lease No. L-5098
Description: NE/4 NE/4, SW/4 NE/4, S/2 NW/4, E/2 SW/4, NW/4 SE/4, NE/4 SW/4,

all in Section 36, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico.

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

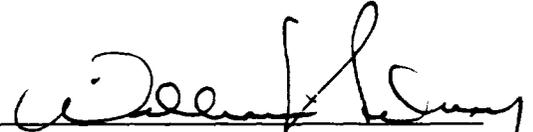
NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Artesia District Office prior to implementation of the commingling process.

REMARKS: Commingled production shall be stored in the Indian Hills State Com Central Tank Battery located in Unit D of Section 36, Township 20 South, Range 24 East, Eddy County, New Mexico.

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DONE at Santa Fe, New Mexico, on this 26 day of August, 1993


WILLIAM J. LEMAY,
Division Director

cc: Oil Conservation Division - Artesia
NM State Land Office - Santa Fe (Pete Martinez)