

NEW MEXICO OIL CONSERVATION COMMISSION  
POST OFFICE BOX 2088  
SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER CTB- 274

Company                    Mesa Petroleum Company  
Address                   Suite 1000 Vaughn Bldg.  
City, State, Zip        Midland, Texas 79701

Attention:                Mr. M. P. Houston

The above-named company is hereby authorized to commingle  
                         North Shoebar Wolfcamp  
pool production from the following leases:

Lease Name:              Gilmore  
Description:              SW/4 SW/4 Section 7

Lease Name:              Chambers  
Description:              SW/4 SE/4 Section 7

Lease Name:              Houston  
Description:              NW/4 NW/4 Section 18  
                         All in Township 16 South, Range 36 East, Lea County

Production shall be allocated to each lease by

  X   separately metering the production from each lease prior to  
                         commingling

       separately metering the production from the  
                         and determining the  
                         production by the subtraction method

       well tests (if this method or the subtraction method above is  
                         to be authorized, all commingled production must be of identical  
                         ownership: 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 Commission  
Rules and Regulations and the Commission "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:    Please notify the Hobbs District Office of the Commission when  
                         this installation is complete so that an inspection may be made  
                         prior to putting it in operation.

DONE at Santa Fe, New Mexico, on this 26th day of September 19 77.

  
JOE D. RAMEY, Secretary-Director



P. O. BOX 3609  
WILCO BUILDING  
SUITE 2205  
MIDLAND, TEXAS 79701  
915-684-6618


August 29, 1977

New Mexico Oil Conservation  
Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Gentlemen:

This is to advise that Koch Oil Company has no objection to the commingling of the Wolfcamp production produced from Mesa Petroleum Company's Houston #1 in Section 18, 16S, 36E, and Gilmore #1 and Chambers #1 in Section 7, 16S, 36E all in Lea County, New Mexico.

Yours very truly,

  
Jim Welty

JW/dm