



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

SURFACE COMMINGLING ORDER PC-1154

Mack Energy Corporation
PO Box 960
Artesia, NM 88211-0960

Attention: Jerry Sherrell

The above named company is hereby authorized to surface commingle oil production from the Grayburg Jackson; SR-Q-G-SA Pool (28509) and the Empire; Yeso, East Pool (96610) and from the following 13 wells in the Mesquite State lease (E-742):

Mesquite State lease (E-742)						
Section 20, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico						
Lease	Well Num	API Number	Spacing Unit	Pool1	Pool2	DHC Num
Mesquite State	1	30-015-30037	Unit L	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	2	30-015-30912	Unit L	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	3	30-015-30726	Unit N	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	4	30-015-30913	Unit N	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	5	30-015-30727	Unit K	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	6	30-015-30914	Unit K	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	7	30-015-30866	Unit E	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	8	30-015-30940	Unit E	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	9	30-015-30941	Unit D	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	10	30-015-30942	Unit D	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	11	30-015-31799	Unit N	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	12	30-015-32159	Unit N	Grayburg Jackson;SR-Q-G-SA	Empire; Yeso, East	Pending
Mesquite State	13	30-015-33692	Unit K	Empire; Yeso, East	Grayburg Jackson;SR-Q-G-SA	Pending


Oil and gas production shall be allocated from the sales point back to each well based on periodic well tests at the main tank battery. Within each well, the oil and gas allocation by pool shall be based on instructions within an approved downhole commingle order for that well.

It is our understanding that ownership is identical within each pool but not between pools and that notice was sent to the State Land Office.

NOTE: It 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 implementation of this commingling operation.

DONE at Santa Fe, New Mexico, on this 7th day of October 2005.


Mark E. Fesmire, P.E.,
Director

MEF: wvjj

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas, and Minerals Division