



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

COMMINGLING ORDER PLC-281

Mewbourne Oil Company
P.O. Box 7698
Tyler, Texas 75711-7698

Attention: Mr. K. M. Calvert

The above-named company is hereby authorized to surface commingle gas production from the Querecho Plains-Strawn (Oil – 50540), North Lusk-Morrow (Gas – 80800), Querecho Plains Upper-Bone Spring (Oil – 50600), Querecho Plains-Queen (Associated – 50580), and Querecho Plains-Delaware (Oil – 50490) Pools originating from the following-described area that encompasses all of the Querecho Plains Queen Associated Sand Unit and Querecho Plains Bone Spring Sand Unit areas, and all or parts of the Federal “H” Lease (Federal Lease No. NM-8675), Federal “E” Lease (Federal Lease No. NM-4609), and the Sprinkle Federal Lease (Federal Lease No. NM-94973):

Querecho Plains Queen Associated Sand Unit

Township 18 South, Range 32 East, NMPM:

Section 21: S/2 SE/4
Section 22: S/2
Section 23: S/2, S/2 NW/4
Section 26: N/2 N/2
Section 27: N/2, N/2 SW/4
Section 28: NE/4 SE/4, N/2 NE/4, SE/4 NE/4

Querecho Plains Bone Spring Sand Unit

Township 18 South, Range 32 East, NMPM:

Section 13: S/2 SW/4
Section 14: SE/4
Section 22: NE/4 SE/4, S/2 SE/4
Section 23: All
Section 24: W/2 NW/4, SW/4 SW/4
Section 26: N/2
Section 27: All
Section 28: E/2

Federal "H" Lease

S/2 SE/4 of Section 22, T-18 South, R-32 East, NMPM

Federal "E" Lease

N/2 of Section 27, T-18 South, R-32 East, NMPM

Sprinkle Federal Lease

SE/4 NW/4 of Section 26, T-18 South, R-32 East, NMPM

Mewbourne Oil Company will surface commingle the gas production from thirty-three (33) wells that produce from the Querecho Plains Upper-Bone Spring Pool within the Querecho Plains Bone Spring Sand Unit, thirty (30) wells that produce from the Querecho Plains-Queen (Associated) Pool within the Querecho Plains Queen Associated Sand Unit, the SF "22" Federal Com Well No. 1 (API No. 30-025-36347) located in P of Section 22 that produces from the Querecho Plains-Strawn Pool, the Federal "E" Well No. 1 (API No. 30-025-25367) located in Unit B of Section 27 that produces from the North Lusk-Morrow Gas Pool, and the Sprinkle Federal Well No. 4 (API No. 30-025-29617) that produces from the Querecho Plains-Delaware Pool.

Due to the diversity of ownership between the wells, separate gas allocation meters shall be installed so as to measure the gas production from the 1) Querecho Plains Bone Spring Sand Unit; 2) Querecho Plains Queen Associated Sand Unit; 3) Federal "H" Lease; 4) Federal "E" Lease; and 5) Sprinkle Federal Lease. After being measured, the gas will be combined and sent on to a gas sales meter located in Section 22, Township 18 South, Range 32 East, NMPM, on the Federal "H" Lease. No liquids shall be commingled.

It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Hobbs District Office of the Division upon commencement of commingling operations.

Done, at Santa Fe, New Mexico on this 30th day of May, 2006.


MARK E. FESMIRE, P.E.,
Division Director

MEF/drc

cc: OCD-Hobbs
 State Land Office-Oil & Gas Division
 Bureau of Land Management-Carlsbad