



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

COMMINGLING ORDER PLC-107

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702-0552

Attention: Thomas M. Price

The above-named company is hereby authorized to commingle North Vacuum-Abo, Vacuum-Wolfcamp and Vacuum Upper-Penn Pool production from the following leases:

LEASE NAME: Warn State A/C 1 Lease (BO-1713)
DESCRIPTION: SE/4 NW/4, NE/4 SW/4 Section 31, Township 17 South, Range 35 East, NMPM;

LEASE NAME: Staplin State A/C 1 Lease (BO-2245)
DESCRIPTION: E/2 SW/4 Section 30, Township 17South, Range 35 East, NMPM;

both in Lea County, New Mexico

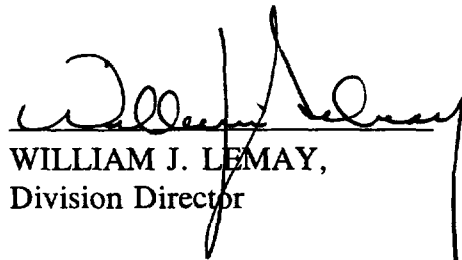
Production shall be allocated to each lease by well tests. (If this method or the subtraction method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest, and overriding royalty interest.)

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.

REMARKS: The Warn State A/C 1 No. 3 and the Staplin State A/C 1 No. 6 are currently downhole commingled in the Abo, Wolfcamp and Upper Penn Pools. This order supersedes Order No. PC-226 which authorized commingling of production from the Warn State A/C 1 Lease only.

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March 7, 1995
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DONE at Santa Fe, New Mexico, on this 7th day of March, 1995.



WILLIAM J. LEMAY,
Division Director

cc: Oil Conservation Division - Hobbs
NM State Land Office - Oil & Gas Division
File: PC-226