



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

COMMINGLING ORDER PLC-148

Mack Energy Corporation  
P.O. Box 960  
Artesia, New Mexico 88211-0960

Attn: Ms. Crissa D. Carter

The above named company is hereby authorized to commingle Loco Hills-Paddock (96718) and Grayburg Jackson-Seven Rivers Queen Grayburg San Andres (28509) Pool production from the following leases:

Lease: McIntyre A Lease (Lease No. LC-054280)  
Description: E/2 SE/4 of Section 20, and;

Lease: McIntyre A Lease (Lease No. LC-057634)  
Description: W/2 SE/4 of Section 20,

all located in Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

Production from each pool and lease shall be separately metered at each well prior to commingling.

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 commingled production from the McIntyre A #1 (LC-054280), and the #3 and #9 (LC-057634) from the Loco Hills-Paddock shall be stored in the Northwest Central Storage Facility located in the SE/4 SW/4 of Section 17. The commingled production from the McIntyre A #2 (LC-054280) from the Grayburg Jackson-Seven Rivers Queen Grayburg San Andres, and the #11 and #12 (LC-054280), and the #6 and #13 (LC-057634) from the Loco Hills-Paddock shall be stored in the Southwest Central Storage Facility located in the SE/4 SW/4 of Section 20. Both facilities are located Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

FURTHER: The operator shall notify the Artesia district office of the Division prior to implementation of the commingling process.

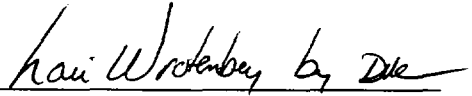
NOTE: This order supersedes Division Orders PC-964 and PC-968, and such orders are hereby placed in abeyance.

PROVIDING: Validation of this authority shall be accomplished by like approval from the U.S. Bureau of Land Management.

*Division Order PLC-148*  
*Mack Energy Corporation*  
*September 18, 1998*  
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DONE at Santa Fe, New Mexico, on this 21st day of September, 1998.

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery by DLE", is written over a horizontal line.

LORI WROTENBERY,  
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Artesia  
U.S. Bureau of Land Management - Carlsbad