



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PC-1013

Marathon Oil Company
P.O. Box 2490
Hobbs, New Mexico 88240

Attention: Mr. Thomas P. Kacir

Lease: Owens Well No. 1 (**API No. 30-045-10866**), Owens Well No. 1A (**API No. 30-045-30130**), and Stagecoach Well No. 1 (**API No. 30-045-30206**) (Federal Lease NMSF-0078243)

Description: SW/4 of Section 7, Township 31 North, Range 12 West, NMPM, San Juan County, New Mexico.

The above-named company is hereby authorized to commingle Basin-Fruitland Coal (Gas – 71629) and Blanco-Mesaverde (Prorated Gas – 72319) Pool production and to determine the production from each pool by separately metering the production from each pool prior to commingling. Oil production will not be commingled.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 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.

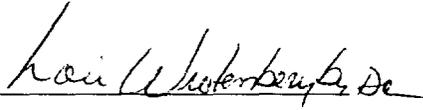
REMARKS: Oil production will be stored and sold at each well location. The commingled gas production shall be delivered to the CDP meter located at the Owens Well No. 1 located in the SW/4 SW/4 of Section 7, Township 31 North, Range 12 West, NMPM, San Juan County, New Mexico.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

PROVIDING: Like approval from the U.S. Bureau of Land Management is also required.

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DONE at Santa Fe, New Mexico, on this 21st day of August, 2000.



LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division- Aztec
U.S. Bureau of Land Management – Farmington