State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



COMMINGLING ORDER CTB-405

Meridian Oil Inc. P. O. Box 51810 Midland, Texas 79710-1810

Attention: Donna J. Williams

The above named company is hereby authorized to commingle West Red Tank-Delaware Pool production from the following leases:

Lease:	Checkerboard "23" Federal Lease (NM-81633)
Description:	W/2, NE/4, W/2 SE/4 Section 23, Township 22 South, Range 32 East, NMPM;
Lease:	Checkerboard "24" Federal Lease (NM-87268)
Description:	NW/4, W/2 NE/4, SE/4 NE/4 Section 24, Township 22 South, Range 32 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 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: This order supersedes Order No. PC-849 which order authorized commingling of West Red Tank-Delaware and Red Tank-Bone Spring Pool production on the Checkerboard "23" Federal Lease.

DONE at Santa Fe, New Mexico, on this 2nd day of February, 1995.

WILLIAM J. LEMA Division Director cc: Oil Conservation Division - Hobbs Bureau of Land Management - Carlsbad File: PC-849 VILLAGRA BUILDING - 408 Galisteo

Forestry and Resources Conservation Division P.O. Box 1948 87504-1948 827-5830 Park and Recreation Division P.O. Box 1147 87504-1147 827-7465 2040 South Pacheco Office of the Secretary 827-5950 Administrative Services 827-5925 Energy Conservation & Management 827-5900 Mining and Minerals 827-5970 Oil Conservation 827-7131