



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

COMMINGLING ORDER CTB-363

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

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

Attention: S.P. Guidry

The above named company is hereby authorized to commingle Shugart Yates Seven Rivers Queen Grayburg Pool production from the following leases:

Lease: Johnson "A" Federal Lease
Description: NE/4 SE/4 Section 10, Township 18 South, Range 31 East, NMPM;

Lease: Johnson "B" Federal A/C 1 Lease
Description: SW/4 NW/4, NE/4 SW/4 Section 11, Township 18 South, Range 31 East, NMPM;

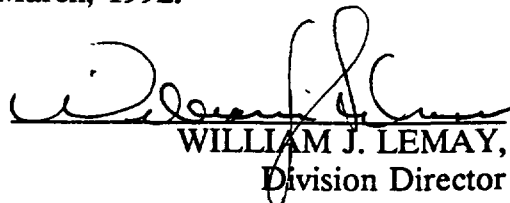
Lease: Johnson "B" Federal A/C 2 Lease
Description: NE/4 NW/4 Section 15, Township 18 South, Range 31 East, NMPM

All in Eddy County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each lease 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.

DONE at Santa Fe, New Mexico, on this 12th day of March, 1992.


WILLIAM J. LEMAY,
Division Director

cc: Oil Conservation Division - Artesia
U.S. BLM - Carlsbad