STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

AMENDED COMMINGLING ORDER CTB-363



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

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

Marathon Oil Company P.O. Box 522 Midland, Texas 79702

Attention: R.D. Gaddis

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

SHOULD SE

Lease: Johnson "A" Federal Lease

Description: NE/4 SE/4 Section 10, T-18 South, R-31 East, NMPM;

Lease: Johnson "B" Federal Lease

Description: S/2 NW/4, NE/4 SW/4 Section 11, N/2 NW/4, Section 15,

T-18 South, R-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 26th day of June, 1992.

WILLIAM J. LEMAY,

Division Director

cc: Oil Conservation Division - Artesia

U.S. BLM - Carlsbad