

NEW MEXICO OIL CONSERVATION DIVISION  
POST OFFICE BOX 2088  
SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER CTB- 279

Company: Merrion & Bayless  
Address: P. O. Box 1541  
City, State, Zip: Farmington, New Mexico 87401

Attention: Robert L. Bayless

The above-named company is hereby authorized to commingle

Pictured Cliffs gas

pool production from the following ~~leases~~ wells:

Lease Name: Southland No. 1  
Description: Section 3

Lease Name: Southland No. 3  
Description: Section 10

Lease Name: Southland No. 4  
Description: Section 9  
All in Township 26 North, Range 13 West, San Juan County  
Production shall be allocated to each lease by

       separately metering the production from each lease prior to  
commingling

       separately metering the production from the  
and determining the  
production by the subtraction method

  X   well tests (if this method or the subtraction method above is  
to be authorized, all commingled production must be of identical  
ownership: 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 commingling authority is approved to permit the use of  
a common lead line to the nearest pipe line connection.

DONE at Santa Fe, New Mexico, on this 27th day of November 19 79.

  
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JOE D. RAMEY, Division Director