

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order CTB-700
Administrative Application Reference No. pMAM1406348306

April 14, 2014

Murchison Oil and Gas Inc
Attention: Cindy Cottrell

Murchison Oil and Gas Inc (OGRID 15363) is hereby authorized to surface commingle oil and gas production from Triple X; Bone Spring, West Pool (**96674**), and from the following leases and wells:

Name	API No.	Footages	ULSTR
Jackson Unit Well No. 14H	30-025-41072	200 FNL&515FWL	D-15-24S-33E
Jackson Unit Well No. 15H	30-025-41086	200 FNL&2000FWL	C-15-24S-33E
Jackson Unit Well No. 16H	30-025-41167	200 FNL&2485FEL	B-15-24S-33E
Jackson Unit Well No. 17H	30-025-41087	200 FNL&970 FEL	A-15-24S-33E
Jackson Unit Well No. 20H	30-025-41139	200 FSL&2290FEL	O-21-24S-33E
Jackson Unit Well No. 21H	30-025-41140	200 FSL&970FEL	P-21-24S-33E
Jackson Unit Well No. 24H	30-025-41093	200 FSL&2435FEL	O-22-24S-33E
Jackson Unit Well No. 25H	30-025-41230	200 FSL&1430FEL	O-22-24S-33E

All in NMPM, Lea County, New Mexico

The commingled oil and gas production from the Jackson Unit Well No. 14H and Jackson Unit Well No. 15H shall be measured and sold at the central tank battery (CTB), located in Unit D of Section 15, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

The commingled oil and gas production from the Jackson Unit Well No. 16H and Jackson Unit Well No. 17H shall be measured and sold at the central tank battery (CTB), located in Unit B of Section 15, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

The commingled oil and gas production from the Jackson Unit Well No. 20H and Jackson Unit Well No. 21H shall be measured and sold central tank battery (CTB), located in Unit O of Section 21, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

The commingled oil and gas production from the Jackson Unit Well No. 24H and Jackson Unit Well No. 25H shall be measured and sold at the central tank battery (CTB), located in Unit O of Section 22, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

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The oil production from each well shall be continuously measured with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

This approval is subject to like approval from the New Mexico State Land Office before commencing commingling operations.

Done at Santa Fe, New Mexico, on April 14, 2014.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" being more prominent than the last name "Bailey".

Jami Bailey
Division Director

JB/mam

cc: Oil Conservation District Office – Hobbs
New Mexico State Land Office – Oil, Gas and Minerals