

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E. Director Oil Conservation Division

COMMINGLING ORDER PLC-278

Mewbourne Oil Company P.O. Box 7698 Tyler, Texas 75711

Attention: Mr. K. M. Calvert

The above-named company is hereby authorized to surface commingle gas production from the North Lusk-Morrow (Gas - 80809) and Young-Strawn (Oil – 65560) Pools originating from the following-described area that encompasses all or parts of Federal Leases No. NMNM-106717 and NMNM-9016:

Township 18 South, Range 32 East, NMPM:

Section 17: E/2

Within this area, Mewbourne Oil Company currently operates the SF "17" Federal Com Well No. 1 (API No. 30-025-36345) located in Unit G of Section 17, which is currently dually completed in the North Lusk-Morrow and Young-Strawn Pools, and the SF "17" Federal Com Well No. 2 (API No. 30-025-36417) located in Unit J of Section 17, which currently produces from the Young-Strawn Pool

Due to the diversity of ownership between the wells, gas production shall be separately metered by allocation meters prior to commingling. After being measured, the gas will be combined and sent on to a gas sales meter located within the NE/4 NE/4 of Section 17 on Federal Lease No. NMNM-9016. No liquids shall be commingled.

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 upon commencement of commingling operations.

Done, at Santa Fe, New Mexico on this 26th day of April, 2006.

MARK E. FESMIRE. P.E.

Division Director

MEF/drc

cc: Oil Conservation Division – Hobbs Bureau of Land Management-Carlsbad