

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION



1935 - 198

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE. NEW MEXICO 87501
(505) 827-5800

COMMINGLING ORDER PC-722

Marbob Energy Corporation P. O. Drawer 217 Artesia, New Mexico 88211-0217

Attention: Ron Head

Lease Name: Spurck State Lease

Description: NE/4 SE/4 Sec. 24, T-17-S, R-27-E,

NMPM, Eddy County, New Mexico

The above-named company is hereby authorized to commingle Red Lake Queen Grayburg San Andres and Empire Yates Seven Rivers pool production in a common tank battery and to determine the production from each pool by well tests. (If this method is to be authorized, all commingled production must be of marginal nature; further the operator shall notify the Santa Fe Office of the Division in the event any well in the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 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: The casinghead gas produced from each pool shall be metered separately.

DONE at Santa Fe, New Mexico, on this 13th day of February, 1986.

R. L. STAMETS, Director