

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

COMMINGLING ORDER PLC-104

PRO New Mexico, Inc.
141 East Palace Avenue
Santa Fe, NM 87501

Attention: Jolene Dicks

The above-named company is hereby authorized to commingle Basin Dakota and Basin Fruitland Coal Gas Pool production from the following leases:

LEASE NAME: Gallegos Com Lease (Gallegos Com Well No. 5) 2135 S
DESCRIPTION: S/2 Section 32, Township 26 North, Range 11 West, NMPM; and

LEASE NAME: Gracia Navajo Lease (Gracia Navajo SK Well No. 2)
DESCRIPTION: ~~W/2 Section 5, Township 25 North, Range 11 West, NMPM,~~ 28915 S

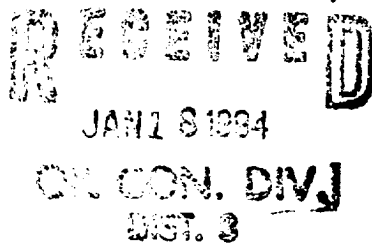
both in San Juan County, New Mexico

Monthly production shall be allocated to each lease by subtracting the Basin-Fruitland Coal Gas Pool production as determined from an allocation meter from the total monthly sales volume as determined from a sales meter.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

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 11th day of January, 1994.



WILLIAM J. LEMAY,
Division Director

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington