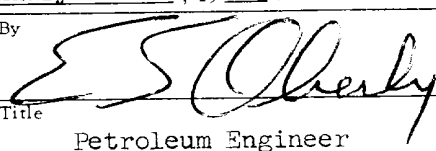


<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">NUMBER OF COPIES RECEIVED</td></tr> <tr><td style="text-align: center;">DISTRIBUTION</td></tr> <tr><td>SANTA FE</td></tr> <tr><td>FILE</td></tr> <tr><td>U.S.G.S.</td></tr> <tr><td>LAND OFFICE</td></tr> <tr> <td>TRANSPORTER</td> <td>OIL GAS</td> </tr> <tr><td>REGISTRATION OFFICE</td></tr> <tr><td>OPERATOR</td></tr> </table>	NUMBER OF COPIES RECEIVED	DISTRIBUTION	SANTA FE	FILE	U.S.G.S.	LAND OFFICE	TRANSPORTER	OIL GAS	REGISTRATION OFFICE	OPERATOR	<p>NEW MEXICO OIL CONSERVATION COMMISSION</p> <p>SANTA FE, NEW MEXICO</p> <p>CERTIFICATE OF COMPLIANCE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS</p>	<p>FORM C-110</p> <p>(Rev. 7-60)</p>
NUMBER OF COPIES RECEIVED												
DISTRIBUTION												
SANTA FE												
FILE												
U.S.G.S.												
LAND OFFICE												
TRANSPORTER	OIL GAS											
REGISTRATION OFFICE												
OPERATOR												
FILE THE ORIGINAL AND 4 COPIES WITH THE APPROPRIATE OFFICE												
Company or Operator El Paso Natural Gas Company		Lease San Juan 28-7 Unit										
Unit Letter M		Well No. 106-X(PM)										
Section 10	Township 27-N	County Rio Arriba										
Range 7-W		Kind of Lease (State, Fed, Fee) Federal										
Pool So. Blanco Pictured Cliffs												
If well produces oil or condensate give location of tanks		Unit Letter Same										
Authorized transporter of oil <input type="checkbox"/> or condensate <input checked="" type="checkbox"/>		Section Same										
El Paso Natural Gas Company		Township Same										
		Range Same										
Address (give address to which approved copy of this form is to be sent) Box 990, Farmington, New Mexico												
Is Gas Actually Connected? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>												
Authorized transporter of casing head gas <input type="checkbox"/> or dry gas <input checked="" type="checkbox"/>		Date Connected 11-27-59										
El Paso Natural Gas Company		Address (give address to which approved copy of this form is to be sent) Box 990, Farmington, New Mexico										
If gas is not being sold, give reasons and also explain its present disposition:												
REASON(S) FOR FILING (please check proper box)												
New Well <input type="checkbox"/> Change in Ownership <input type="checkbox"/> Change in Transporter (check one) Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casing head gas . <input type="checkbox"/> Condensate... <input checked="" type="checkbox"/>												
Remarks												
The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.												
Executed this the <u>1st</u> day of <u>January</u> , 19 <u>63</u> .												
OIL CONSERVATION COMMISSION		By 										
Approved by Original Signed Emery C. Arnold		Title Petroleum Engineer										
Title Supervisor Dist # 3		Company El Paso Natural Gas Company										
Date APP 11 1963		Address Box 990, Farmington, New Mexico										

Copy

THE APPLICATION OF EL PASO NATURAL GAS COMPANY FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS SAN JUAN 28-7 UNIT WELL NO. 106-X LOCATED IN THE SW/4 SW/4 OF SECTION 10, TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM, RIO ARRIBA COUNTY, NEW MEXICO, IN SUCH A MANNER AS TO PERMIT THE PRODUCTION OF GAS FROM THE SOUTH BLANCO-PICTURED CLIFFS POOL AND THE PRODUCTION OF GAS FROM THE BLANCO-MESAVERDE POOL.

ORDER NO. DC-854

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 112-A (c) El Paso Natural Gas Company made application to the New Mexico Oil Conservation Commission on November 18, 1959, for permission to dually complete its San Juan 28-7 Unit Well No. 106-X located in the SW/4 SW/4 of Section 10, Township 27 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Pool and the production of gas from the Blanco-Mesaverde Pool.

Now, on this 25th day of November, 1959, the Secretary-Director finds:

- (1) That application has been duly filed under the provisions of Sub-section 'c' of Rule 112-A of the Commission's Rules and Regulations;
- (2) That satisfactory information has been provided that all operators of offset acreage have been duly notified; and
- (3) That no objections have been received within the waiting period as prescribed by said rule.
- (4) That the proposed dual completion will not cause waste nor impair correlative rights.
- (5) That the mechanics of the proposed dual completion are feasible and consonant with good conservation practices.

IT IS THEREFORE ORDERED:

That the applicant herein, El Paso Natural Gas Company, be and the same is hereby authorized to dually complete its San Juan 28-7 Unit Well No. 106-X located in the SW/4 SW/4 of Section 10, Township 27 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Pool and the production of gas from the Blanco-Mesaverde Pool through parallel strings of tubing.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for the Blanco-Mesaverde Pool.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A. L. PORTER, Jr.,
Secretary-Director

S E A L