



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

BETTY RIVERA

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

COMMINGLING ORDER PC-1080

Phoenix Hydrocarbons Operating Corporation
P.O. Box 3638
Midland, Texas 79702

Attention: Ms. Phyllis R. Gunter

Lease: Federal "J" Lease (Federal Lease No. NMSF-078476)

Description: E/2 of Section 11, Township 27 North, Range 8 West, NMPM, San Juan
County, New Mexico

SV
The above-named company is hereby authorized to commingle Blanco-Mesaverde Gas Pool production (Gas - 72319) from the Federal "J" Well No. 1A (API No. 30-045-23461) located 1180 feet from the South line and 800 feet from the East line (Unit P) of Section 11, and Otero-Chacra Gas Pool (Gas - 82329) production from the Federal "J" Well No. 2 (API No. 30-045-23460) located 1110 feet from the South line and 990 feet from the East line (Unit P) of Section 11, both wells located on Federal Lease No. NMSF-078476, and to determine the production from each pool by conducting well tests at a reasonable interval.

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.

Production shall be commingled, compressed and sold through a El Paso gas sales meter located within the SE/4 SE/4 of Section 11.

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

DONE at Santa Fe, New Mexico, on this 6th day of November, 2007

LORI WROTENBERY,
Division Director

LW/DRC

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