



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

December 4, 1980

BRUCE KING
GOVERNOR

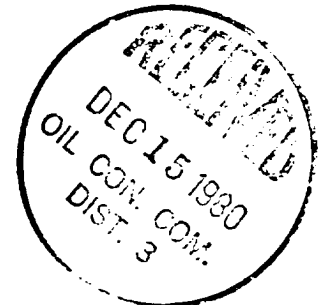
LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Merrion & Bayless
P. O. Box 1541
Farmington, New Mexico 87401

Attention: Mr. Robert L. Bayless

Re: Commingling Authority
Chaco No. 13 and Chaco No. 14
Pictured Cliffs Gas Wells



Gentlemen:

Reference is made to your recent request to commingle Pictured Cliffs gas production from your Chaco Wells Nos. 13 and 14, located on your Federal Lease No. SF-080238-A in Section 10, Township 26 North, Range 13 West, San Juan County, New Mexico, and to meter said production, then to commingle this production with the previously authorized commingled production from various wells on your Federal Lease No. NM-12235 in Sections 3, 9, 10, and 11 of the same township for ultimate sale through a pipe line sales meter in Section 1 of said township. The combined production from the No. 13 and No. 14 would be subtracted from the sales meter reading to obtain the NM-12235 production.

We have now received copy of consent by the USGS to this proposal on a temporary basis.

You are therefore hereby authorized to commingle the aforesaid production as described, pending approval of right-of-way from the Navajo Irrigation Project to the gas purchaser which will enable permanent lines to be built.

This authority will expire January 1, 1982.

Very truly yours,

JOE D. RAMEY, Director

JDR/DSN/dr

cc: USGS - Albuquerque
Oil Conservation Division - Aztec