



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87508  
(505) 827-7131

AMENDED COMMINGLING ORDER CTB-407

Dugan Production Corporation  
P.O. Box 420  
Farmington, New Mexico 87499-0420

Attention: John D. Roe

RECEIVED  
MAY - 6 1998

OIL CON. DIV.  
DIST. 3

The above named company is hereby authorized to commingle Basin Fruitland Coal (71629) Pool production from the following leases:

|              |                                                         |           |
|--------------|---------------------------------------------------------|-----------|
| Lease:       | Alamo Com Well No.90                                    | 045-28806 |
| Description: | W/2, Section 4, Township 25 North, Range 13 West, and;  |           |
| Lease:       | Cisco Com Well No..90                                   | 045-28662 |
| Description: | W/2, Section 3, Township 25 North, Range 13 West, and;  |           |
| Lease:       | Cisco Com Well No.91                                    | 045-28805 |
| Description: | W/2, Section 34, Township 26 North, Range 13 West, and; |           |
| Lease:       | Jeter Well No.3                                         | 045-28860 |
| Description: | S/2, Section 35, Township 26 North, Range 13 West, and; |           |
| Lease:       | Jeter Well No.4                                         | 045-28804 |
| Description: | N/2, Section 1, Township 25 North, Range 13 West, and;  |           |
| Lease:       | Jeter Well No.5                                         | 045-29390 |
| Description: | N/2, Section 35, Township 26 North, Range 13 West, and; |           |
| Lease:       | Salge Federal 'A' Com Well No.90                        | 045-28587 |
| Description: | E/2, Section 3, Township 25 North, Range 13 West, and;  |           |
| Lease:       | Salge Federal 'A' Com Well No.91                        | 045-28663 |
| Description: | E/2, Section 4, Township 25 North, Range 13 West;       |           |
| Lease:       | Salge Federal 'A' Well No.94                            | 045-29501 |
| Description: | E/2, Section 34, Township 26 North, Range 13 West, and; |           |
| Lease:       | Salge Federal 'A' Well No.95                            | 045-29514 |
| Description: | E/2, Section 33, Township 26 North, Range 13 West, and; |           |
| Lease:       | Bisti State Well No.1                                   | 045-25834 |
| Description: | E/2, Section 2, Township 25 North, Range 13 West, and;  |           |

**Lease:** Bisti State Well No.90 045-29216  
**Description:** E/2, Section 2, Township 25 North, Range 13 West;

**Lease:** Patriot Well No.90 045-29511  
**Description:** W/2, Section 27, Township 26 North, Range 13 West, and;

**Lease:** Patriot Well No.91 045-29510  
**Description:** E/2, Section 27, Township 26 North, Range 13 West, and;

**Lease:** Patriot Well No.92 045-29512  
**Description:** N/2, Section 28, Township 26 North, Range 13 West;

**Lease:** Patriot Well No.93 045-29513  
**Description:** S/2, Section 28, Township 26 North, Range 13 West;

all in San Juan County, New Mexico.

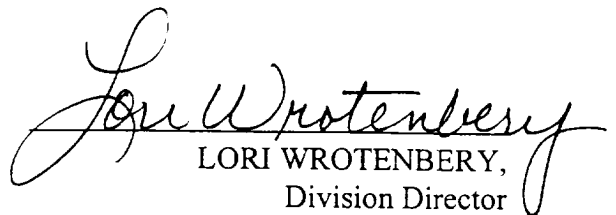
Production shall be allocated to each lease by multiplying the sales volume at the CDP by an allocation factor for each well. The allocation factors shall be determined by dividing the individual separately metered well production by the sum of the gas production from all wells, as determined from individual well meters.

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 above described system has been designated the Topaz Gas Gathering System.

FURTHER: The operator shall notify the Aztec district office upon implementation of the commingling process.

DONE at Santa Fe, New Mexico, on this 29th day of April, 1998.

  
LORI WROTENBERY,  
Division Director

*Amended Commingling Order CTB-407*

*Dugan Production Corporation*

*April 29, 1998*

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LW/BES/kv

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