



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

BETTY RIVERA

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

COMMINGLING ORDER PLC-212

Coleman Oil & Gas, Inc.
PO Drawer 3337
Farmington, New Mexico 87499

Attention: Mr. Bryan Lewis

The above named company is hereby authorized to surface commingle production from operated wells within the following pools and acreage.

Township 26 North, Range 12 West, NMPM, San Juan County, New Mexico
Basin-Fruitland Coal (Gas 71629), All of Section 26
WAW-Fruitland Sand PC (Gas 87190), NW/4, SW/4, and SE/4 of Section 26

The following wells are currently producing within these pools and in this acreage and are therefore included in this commingle at this time.

Township 26 North, Range 12 West, NMPM, San Juan County, New Mexico

Carrie Well No. 1 NE/4 SE/4 API 30-045-30296
WAW-Fruitland Sand PC (Gas 87190) SE/4 Section 26 dedication

Chipper Well No. 1 NW/4 NW/4 API 30-045-30297
WAW-Fruitland Sand PC (Gas 87190) NW/4 Section 26 dedication

Darcy Ann Well No. 1 SW/4 SW/4 API 30-045-29896 (DHC-2940)
WAW-Fruitland Sand PC (Gas 87190) SW/4 Section 26 dedication
Basin-Fruitland Coal (Gas 71629) W/2 Section 26 dedication

Pegasus Well No. 1 NE/4 NE/4 API 30-045-30295
Basin-Fruitland Coal (Gas 71629) E/2 Section 26 dedication

Allocation gas meters shall be installed on all wells included in this commingle and regularly calibrated for accuracy. Each well's gas sales, production, and BTU values shall be calculated using data collected from allocation rate meters, total CPD sales, lost gas, fuel gas, and periodic BTU tests. Compressor fuel gas usage shall be calculated for each well based on that well's ratio of the total of all the allocation meters feeding that compressor.

Condensate and water shall not be commingled. The measurement and sales point for commingled gas may occur off lease.

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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.

FURTHER: The operator shall notify the supervisor of the Aztec district office prior to implementation of this commingling operation.

DONE at Santa Fe, New Mexico, on this 13th day of September 2002. This order is retroactive to May 27, 2001.

Lori Wrotenberg (LWVJ)
LORI WROTENBERY,
Division Director

LW/wvj

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