



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

BETTY RIVERA

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

COMMINGLING ORDER PLC-211

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 11 West, NMPM, San Juan County, New Mexico

Basin-Fruitland Coal (Gas 71629), W/2 Section 19,

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

Basin-Fruitland Coal (Gas 71629), All Section 24, N/2 Section 25, W/2 Section 13

South Gallegos-Fruitland Sand PC (Gas 77310), NE/4 Section 13, NE/4 and SW/4 Section 24

Basin-Dakota (Prorated Gas 71599), NE/4 Section 24

Gallegos-Gallup (Associated 26980), NE/4 Section 24

Wildcat Gallegos-Greenhorn (Oil), NE/4 Section 24

WAW-Fruitland Sand PC (Gas 87190), NE/4 Section 25

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 11 West, NMPM, San Juan County, New Mexico

Marilyn Com Well No. 1 SW/4 SW/4

API 30-045-29976

Basin-Fruitland Coal (Gas 71629)

W/2 Section 19 dedication

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

Sharen Well No. 2 NE/4 NW/4

API 30-045-29934

South Gallegos-Fruitland Sand PC (Gas 77310)

NE/4 Section 13 dedication

Sharen Com Well No. 1 SE/4 SW/4

API 30-045-29925

Basin-Fruitland Coal (Gas 71629)

W/2 Section 13 dedication

Knicks Well No. 1 NW/4 NW/4

API 30-045-29933

South Gallegos-Fruitland Sand PC (Gas 77310)

NE/4 Section 24 dedication

Navajo Smith Well No. 1 Basin-Dakota (Prorated Gas 71599) Gallegos-Gallup (Associated 26980) Wildcat Gallegos-Greenhorn (Oil)	SW/4 NE/4	API 30-045-24976 (R-6761 DHC/NSP) NE/4 Section 24 dedication NE/4 Section 24 dedication NE/4 Section 24 dedication
Cardinal Com Well No. 1 Basin-Fruitland Coal (Gas 71629)	SW/4 NE/4	API 30-045-29932 N/2 Section 24 dedication
Clinton Well No. 1 South Gallegos-Fruitland Sand PC (Gas 77310)	NW/4 SW/4	API 30-045-30694 SW/4 Section 24 dedication
Purls Com Well No. 1 Basin-Fruitland Coal (Gas 71629)	SE/4 SW/4	API 30-045-30693 S/2 Section 24 dedication
Legend Com Well No. 1 Basin-Fruitland Coal (Gas 71629)	SW/4 NE/4	API 30-045-30695 N/2 Section 25 dedication
John Well No. 1 WAW-Fruitland Sand PC (Gas 87190)	SE/4 NE/4	API 30-045-30692 NE/4 Section 25 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.

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.

Administrative Order PLC-211

Coleman Oil & Gas Inc.

September 11, 2002

Page 3

DONE at Santa Fe, New Mexico, on this 13th day of September 2002. This order is retroactive to April 7, 2000.

Lori Wrotenberg (WRD)

LORI WROTENBERY,
Division Director

LW/wvj

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