



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

COMMINGLING ORDER CTB-460

Phillips Petroleum Company
5525 Hwy 64, NBU 3004
Farmington, New Mexico 87401

Attention: Mr. Doyle Pruden

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OIL CON. DIV.
DIST. 3

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

Lease: San Juan 30-5 Unit Well Nos. 202, 203, 204, 205, and 215 (5 wells).

Description: Sections 5, 6, 7, and 8, Township 30 North, Range 5 West, and;

Lease: San Juan 31-6 Unit Well Nos. 201, 202, 203, 204, 205, 206, 207, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225R, 228, 229, 230, 231, 233, and 234 (29 wells).

Description: Sections 27, 28, 29, 31, 32, 33, 34, 35 and 36, Township 31 North, Range 6 West, and, Sections 1, 2, 3, 4, and 5, Township 30 North, Range 6 West,

all NMPM, San Juan County, New Mexico.

Production shall be allocated to each lease by multiplying the sales volume at the CPD by an allocation factor for each well. The allocation factors shall be determined by dividing the individual well production (as recorded by an allocation meter) by the sum of the gas production from all wells connected to the CPD, as determined from such allocation meters.

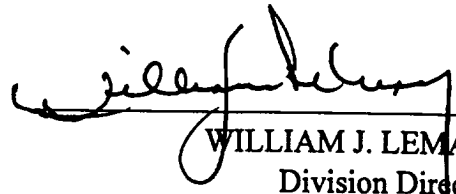
NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: The Central Point of Delivery shall be designated CPD No.1 located in Unit Letter 'N' of Section 1, Township 30 North, Range 6 West, NMPM, San Juan County, New Mexico.

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

DONE at Santa Fe, New Mexico, on this 20th day of November, 1997


WILLIAM J. LEMAY,
Division Director

WJL/BES/kv

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