

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-216

Calpine Natural Gas Company 1200 17th Street, Suite 770 Denver, Colorado 80202

Attention: Mr. Hugo Cartaya

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

Fulcher Kutz-Pictured Cliffs (Gas 77200), NE/4 of Section 27, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico

Basin-Fruitland Coal (Gas 71629), E/2 of Section 27, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico

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

Tiger Well No. 12

API 30-045-29928

Fulcher Kutz-Pictured Cliffs NE/4 Dedication

SE/4 NE/4, Section 27, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico

Tiger Well No. 19

API 30-045-30766

Basin-Fruitland Coal

E/2 Dedication

NW/4 NE/4, Section 27, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico

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.

Administrative Order PLC-216 Calpine Natural Gas Company October 8, 2002 Page 2 of 2

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 Aztec District Office of the Division upon implementation of the commingling process.

DONE at Santa Fe, New Mexico, on this 8th day of October 2002.

fori Wrotenbery

LORI WROTENBERY,

Division Director

LW/wvjj

cc:

Oil Conservation Division – Aztec

Bureau of Land Management - Farmington