



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark Fesmire, P.E.

Director

Oil Conservation Division

Administrative Commingling Order PLC-252

Manana Gas, Inc.
C/o Walsh Engineering
7415 E. Main St.
Farmington, New Mexico 87402

Attention: Paul C. Thompson, P.E.

The above named company is hereby authorized to commingle production from existing and future wells within the following-described pools and associated areas, all located in San Juan County, New Mexico.

Aztec-Pictured Cliffs (Gas 71280)

Township 30 North, Range 12 West, NMPM

Section 23: NW/4

Basin-Fruitland Coal (Gas 71629)

Township 30 North, Range 12 West, NMPM

Section 23: W/2

Basin-Dakota (Prorated Gas 71599)

Township 30 North, Range 12 West, NMPM

Section 23: W/2

Currently these areas contain or will soon contain the following wells.

Mary Wheeler Well No. 1 (API No. 30-045-22298)

Basin-Dakota Prorated Gas Pool

Hidden Assets Well No. 1 (API No. 30-045-32011)

Basin-Fruitland Coal Gas Pool

Aztec-Pictured Cliffs Gas Pool (DHC-3285)

This permit shall be amended if additional pool(s) are to be added within these areas as described above or these areas as described above are to be extended.

Production shall be allocated by separately and continuously metering the production from each well or group of wells with identical ownership within this gathering system. Gas production shall then be commingled and transported to a gas sales meter located on this lease in the NW/4 of Section 23,

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Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico.

NOTE: It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

Done, at Santa Fe, New Mexico on this 1st day of June 2004.



MARK E. FESMIRE, P.E.,
Division Director

MEF/wvjj
cc: Oil Conservation Division – Aztec