

PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE
Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

May 12, 2003

Southwestern Energy Production Company
2350 N. Sam Houston Parkway East, Suite 300
Houston, Texas 77032

Attention: Mr. W. Kurt Butler

Re: Surface Commingling Application
Birds of Prey Gas Gathering System
Willow Lake; Delaware Pool
Eddy County, New Mexico

Dear Mr. Butler:

We are in receipt of your letter of April 8, 2003 requesting our approval to surface commingle the gas produced from the Eagle "4" State Well No. 1 (API 30-015-32569), Falcon "10" Well No. 1 (API 30-015-32571) and the Peregrine "10" Well No. 1 (API No. 30-015-32312) at the Birds of Prey Gas Gathering System. It is our understanding that the gas will be metered using an orifice meter before leaving the well tank battery.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please submit a \$30.00 filing fee.

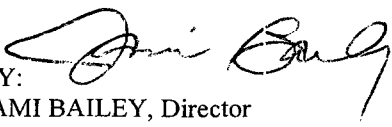
Please contact Ms. Debbie Padilla at 505/827-5729 regarding a possible right-of-way through the NE/4SW/4 of Section 04-25S-28E and the NW/4NE/4 of Section 10-25S-28E.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:


JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744
PL/JB/pm

pc: Reader File;
OCD-Attention: David Catanach, Ben Stone,
Debbie Padilla



State of New Mexico
Commissioner of Public Lands

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PATRICK H. LYONS
COMMISSIONER

RECEIVED

JUN . 9 2003

Oil Conservation Division

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

June 5, 2003

Southwestern Energy Production Company
2350 N. Sam Houston Parkway East, Suite 300
Houston, Texas 77032

Attention: Ms. Vonnie J. Cermin

Re: Amended Surface Commingling Application
Birds of Prey Gas Gathering System
Willow Lake; Delaware SW Pool
Eddy County, New Mexico

Dear Ms. Cermin:

We are in receipt of your letter of May 19, 2003 requesting our approval to surface commingle the gas produced from the Eagle "4" State Well No. 1 (API 30-015-32569), Falcon "10" Well No. 1 (API 30-015-32571), Peregrine "10" Well No. 1 (API No. 30-015-32312) and the Red-Tailed Hawk 10 Well No. 1 (API No. 30-015-32773) at the Birds of Prey Gas Gathering System. It is our understanding that the gas and water production will be separately measured for each lease and allocated to each well within each lease based on periodic well tests.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please submit a \$30.00 filing fee.

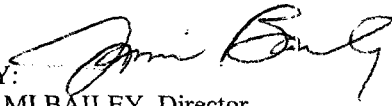
It is our understanding that you have acquired the appropriate right-of-ways required by this office.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:


JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/pm

pc: Reader File,

OCD-Attention: David Catanach