

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



July 6, 2015

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-423
Administrative Application Reference No. pJAG1516259039

BP AMERICA PRODUCTION COMPANY
Attention: Ms. Toya Colvin

Pursuant to your application received on June 11, 2015 BP America Production Company (OGRID 778) is hereby authorized to surface commingle gas production from the following pools located in Section 16, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico;

Basin Fruitland Coal (Gas)	(71629)
Kutz Pictured Cliffs, West (Gas)	(79680)

and from the following diversely owned state leases in said Section, Township and Range in San Juan County, New Mexico.

Lease: State Lease B-13303
Description: NE/4 NE/4 of Section 16

Lease: State Lease E-9229
Description: S/2 SE/4, SW/4 NE/4, NW/4 NE/4, and NW/4 SE/4

Lease: State Lease B-10870
Description: SW/4 NE/4 of Section 16

Lease: State Lease E-2447
Description: NE/4 SE/4 of Section 16

Wells: State of New Mexico Well No. 2 (Kutz Pictured Cliffs, West)
State of New Mexico Well No. 3 (Basin Fruitland Coal (Gas))

The E/2 spacing unit is dedicated to the Basin Fruitland Coal Pool, and the NE/4 spacing unit of the section is dedicated to the Kutz Pictured Cliffs, West Pool.

The commingled gas production from the wells detailed above shall be measured and sold at the State of New Mexico Well No. 2 (CTB) in Unit A of Section 16, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico.

Production from the subject wells shall be determined as follows:

Gas production from these wells shall be metered separately with allocation meters before commingling production. The production is then sent through a compressor, then onto a sales meter.


Subsequently drilled wells that produce from the subject pools within the spacing units approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2).

This approval is subject to like approval from the New Mexico State Land Office before commencing commingling operations.

The operator shall notify the Aztec District office of the Division upon commencement of commingling operations.

DONE at Santa Fe, New Mexico, on July 6, 2015.


DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division District Office – Aztec
New Mexico State Land Office – Oil, Gas, and Minerals