District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION 1220 S. St Francis Drive Santa Fe, New Mexico 87505

Form C-107-B Revised August 1, 2011

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME:	MACK ENERGY CORPORATION	
OPERATOR ADDRESS:	PO BOX 960 ARTESIA, NM 88211-0960	
ADDI ICATION TYDE.		

APPLICATION TYPE:

X Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

Fee X State Federal LEASE TYPE:

Is this an Amendment to existing Order? X Yes No If "Yes", please include the appropriate Order No. Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling X Yes No

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
61850 Vacuum; Blinebry	38.8/1.3641			
62180 Vacuum; GB-SA	38.2/1.5338	38.5/1.448		
		-		

Measurement type: Metering X Other (Specify) Periodic well testing. (4)

Will commingling decrease the value of production? Yes X No If "yes", describe why commingling should be approved (5)

(B) LEASE COMMINGLING Please attach sheets with the following information

Yes No

(1) Pool Name and Code.

(2) Is all production from same source of supply? Yes No

(3) Has all interest owners been notified by certified mail of the proposed commingling?

(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING Please attach sheets with the following information

Complete Sections A and E. (1)

(D) OFF-LEASE STORAGE and MEASUREMENT Please attached sheets with the following information

(1) Is all production from same source of supply? Yes No (2) Include proof of notice to all interest owners.

. ,	AL INFORMATION (for all application types) attach sheets with the following information
1) A schematic diagram of facility, including legal lo	
A plat with lease boundaries showing all well and	facility locations. Include lease numbers if Federal or State lands are involved.
3) Lease Names, Lease and Well Numbers, and API	Numbers.
	and the deside of my descended as and heli of
	mplete to the best of my knowledge and belief.
I hereby certify that the information above is true and co SIGNATURE: Jung a Shall	mplete to the best of my knowledge and belief.

E-MAIL ADDRESS: jerrys@mec.com_

Received by OCD: 6/17/2022 2:31:24 PM



P.O. Box 960 Artesia, NM 88211-0960 Office (575) 748-1288 Fax (575) 746-9539

June 17 2022

Oil Conservation Division Attn: Dean McClure 1220 South St. Francis Drive Santa Fe, NM 87505

Dear Sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval to Surface Commingle at our Dash for Cash TB. Wells currently produce from the Vacuum; Blinebry(61850). We have submitted a sundry to recomplete the Dash for Cash #2 in the Vacuum: Grayburg-San Andres(62180) and will be commingled at Dash for Cash TB located in the Unit M Sec. 5 T18S R35E.

Allocation of production will be measured through well testing of individual wells. Wells will be tested once a month for a minimum 24 hours. The TB is equipped with a test production train. Oil measured by tank gauging and gas measured using a Total Flow Meter. Water will be measured using a turbine meter.

All pools and wells are owned 100% working interst by Mack Energy affiliates. There is a Royalty Interest to the NMSLO and an Overriding Royalty Interest owned by Chevron U.S.A., Inc. All affected parties have been notified of this application via certified mail.

Commingling will not decrease the value of production.

Should you have any questions please contact me @ 575-748-1288.

Sincerely,

ashe

Jerry W. Sherrell Production Supervisor jerrys@mec.com

JWS/

Enclosures Well List

Dash for Cash #130-025-40291Dash for Cash #230-025-40292

Vacuum; Blinebry Vacuum; Grayburg-San Andres

OCD Well Locations



New Mexico Oil Conservation Division

NM OCD Oil and Gas Map. http://nm-emnrd.maps.arcgis.com/apps/webappviewer/index.html?id=4d017f2306164de29fd2fb9f8f35ca75: New Mexico Oil Conservation Division



11344 Lovington Hwy Artesia, NM 88210

Affected Parties	Interest Type	Certified Mail Number
Chase Oil Corporation P.O. Box 1767 Artesia, NM 88211	WI	HAND DELIVERED
RDC Minerals LLC P.O. Box 297 Artesia, NM 88211	WI	HAND DELIVERED
Ventana Minerals LLC P.O. Box 359 Artesia, NM 88211	WI	HAND DELIVERED
DiaKan Minerals LLC P.O. Box 693 Artesia, NM 88211	WI	HAND DELIVERED
Commissioner of Public Lands P.O. Box 1148 Santa Fe, NM 87504-1148	RI	<u>7021 2720 0000 2140 9489</u>
Chevron U.S.A. Inc. P.O. Box 211 Dallas, TX 77252	ORRI	<u>7021 2720 0000 2140 9588</u>

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Sheet1

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Entity	Interest	Entity Name	Address	City	St	Zip Code
001231	RI	Commissioner Of Public Lands	310 Old Santa Fe Trail	Santa Fe	NM	87501
004453	ORRI	Chevron U.S.A., Inc.	P.O. Box 2100	Dallas	TX	77252
101	WI	Chase Oil Corporation	P.O. Box 1767	Artesia	NM	88211-1767
171	WI	RDC Minerals LLC	PO Box 297	Artesia	NM	88211-0297
185	W1	Ventana Minerals LLC	P. O. Box 359	Artesia	NM	88211
195	W1	DiaKan Minerals LLC	P. O. Box 693	Artesia	NM	88211-0693

Received by OCD: 6/17/2022 2:31:24 PM



P.O. Box 960 Artesia, NM 88211-0960 Office (575) 748-1288 Fax (575) 746-9539

VIA CERTIFIED MAIL 7021 2720 0000 2140 9489

June 17, 2022

Commissioner of Public Lands PO Box 1148 Santa Fe,, NM 87504-1148

Dear Sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval to Surface Commingle at our Dash for Cash TB. Wells currently produce from the Vacuum; Blinebry(61850). We have submitted a sundry to recomplete the Dash for Cash #2 in the Vacuum: Grayburg-San Andres(62180) and will be commingled at Dash for Cash TB located in the Unit M Sec. 5 T18S R35E.

Allocation of production will be measured through well testing of individual wells. Wells will be tested once a month for a minimum 24 hours. The TB is equipped with a test production train. Oil measured by tank gauging and gas measured using a Total Flow Meter. Water will be measured using a turbine meter.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.

Commingling will not decrease the value of production.

Should you have any questions please contact me @ 575-748-1288.

Sincerely,

Jerry W. Sherrell Production Supervisor jerrys@mec.com

JWS/

Enclosures Well List

Dash for Cash #1	30-025-40291
Dash for Cash #2	30-025-40292

Vacuum; Blinebry Vacuum; Grayburg-San Andres Received by OCD: 6/17/2022 2:31:24 PM



P.O. Box 960 Artesia, NM 88211-0960 Office (575) 748-1288 Fax (575) 746-9539

VIA CERTIFIED MAIL 7021 2720 0000 2140 9588

June 17, 2022

Chevron U.S.A., Inc. PO Box 2100 Dallas, TX 77252

Dear Sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval to Surface Commingle at our Dash for Cash TB. Wells currently produce from the Vacuum; Blinebry(61850). We have submitted a sundry to recomplete the Dash for Cash #2 in the Vacuum: Grayburg-San Andres(62180) and will be commingled at Dash for Cash TB located in the Unit M Sec. 5 T18S R35E.

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Sincerely,

Jerry W. Sherrell Production Supervisor jerrys@mec.com

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JWS/

Enclosures Well List

Dash for Cash #1	30-025-40291
Dash for Cash #2	30-025-40292

Vacuum; Blinebry Vacuum; Grayburg-San Andres

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C101 All

Page 3 of 5

Form C-102

August 1, 2011

Permit 137055

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St.Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40291	2. Pool Code 61850	3. Pool Name VACUUM;BLINEBRY
4. Property Code 38803	5. Property Nam DASH FOR CA	
7. OGRID No. 13837	8. Operator Nam MACK ENERGY	

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	5	185	35E		1855	S	375	w	LEA

11. Bottom Hole Location If Different From Surface

				T TOTO LO	Lation in Di	I I I I I I I I I I I I I I I I I I I	T	T	
UL-Loi L	Section 5	Township 18S	Range 35E	Lot Idn	Feet From 1675	N/S Line S	Feet From 355	E/W Line W	County LEA
	cated Acres	13. J	oint or Infill	14	Consolidation (Code		15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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The first of the f

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Jerry Sherrell Title: Production Clerk Date: 9/8/2011

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Ronald Eidson

Date of Survey: 8/22/2011 Certificate Number: 3239

http://www.emnrd.state.nm.us/OCD/OCDPermitting/Report/C101/C101All.aspx?PermitId... 9/14/2011

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 DISTRICT II 1301 W. GRAND A VENUE, ARTESIA, NM 88210 DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 DISTRICT IV 11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

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State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505 RECEIVED SEP 0 9 2011

Form C-102 Revised July 16, 2010 Submit to Appropriate District Office

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025 - 40292			Pool Code	V	becuum: (Pool Nam	-San And	nes .	
Property Code 38803				62180 Vacuum; Grayburg - SA Property Name DASH FOR CASH STATE			We	Well Number 2	
OGRID No.			N	Operator Name MACK ENERGY CORPORATION				Elevation 3966'	
					Surface Locati	ion			
UL or lot No. M	Section 5	Township 18-S	Range 35-E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 530	East/West line WEST	County LEA
				Bottom Hole	e Location If Diffe	erent From Surface			
UL or lot No. M	Section 5	Township 18-S	Range 35-E	Lot Idn	Feet from the 363	North/South line SOUTH	Feet from the 351	East/West line WEST	County LEA
Dedicated Acres	Joint of	Infill Co	onsolidation C	ode Ord	er No.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
		al & Engineerin	g Bureau -
THIS	CHECKLIST IS MANDATORY FOR AL		ION CHECKLIST ATIONS FOR EXCEPTIONS TO DIVISION RULES AND E DIVISION LEVEL IN SANTA FE
pplicant: Mack E	Energy Corporation		OGRID Number: 013837
Vell Name: Dash f	for Cash State #2		API: 30-025-40292
ool: Vacuum; Graybu	rg-San Andres		Pool Code: <u>62180</u>
SUBMIT ACCURA	ATE AND COMPLETE INF	ORMATION REQUI	RED TO PROCESS THE TYPE OF APPLICATION
A. Location	- Spacing Unit - Simult	aneous Dedicatio	-
[I] Com [II] Injec 2) NOTIFICATION A. Offset B. Royal C. Applic D. Notific E. Notific F. Surfac G. For al	ne only for [1] or [1] mingling - Storage - M DHC CTB PI ction - Disposal - Press WFX PMX SN REQUIRED TO: Check operators or lease hold ty, overriding royalty ov cation requires published cation and/or concurre cation and/or concurre cation and/or concurre cation and/or concurre cation and/or concurre to owner l of the above, proof o tice required	C PC ure Increase - En ND IPI ders vners, revenue ov ed notice nt approval by Si nt approval by B	EOR PPR y. FOR OCD ONLY Notice Complete vners Application Content Complete
administrative understand th	approval is accurate a	and complete to ken on this applic	submitted with this application for the best of my knowledge. I also cation until the required information and
No	ote: Statement must be comple	ted by an individual wi	th managerial and/or supervisory capacity.
Jerry W. Sherrell			6/17/22 Date
Print or Type Name			575-748-1288
(2, 1)	sie		Phone Number
Signature	June		jerrys@mec.com e-mail Address

From:	McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD
To:	Jerry Sherrell
Cc:	McClure, Dean, EMNRD; Kautz, Paul, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com; Dawson, Scott
Subject:	Approved Administrative Order PLC-842
Date:	Friday, October 14, 2022 12:42:40 PM
Attachments:	PLC842 Order.pdf

NMOCD has issued Administrative Order PLC-842 which authorizes Mack Energy Corporation (13837) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-40291	Dash for Cash #1	L	5-18S-35E	61850
30-025-40292	Dash for Cash #2	Μ	5-18S-35E	62180

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR SURFACE COMMINGLINGSUBMITTED BY MACK ENERGY CORPORATIONORDER NO. PLC-842

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. Mack Energy Corporation ("Applicant") submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
- 3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
- 4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 5. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 6. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.

CONCLUSIONS OF LAW

- 7. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
- 8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.

Order No. PLC-842

- 9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
- 10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
- 11. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
- 12. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

<u>ORDER</u>

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. The oil production allocated to each well identified in Exhibit A shall be determined by shutting-in the production from all other wells for a minimum of twenty-four (24) consecutive hours and measuring the difference in oil inventory accrued during that period. Applicant shall conduct this test a minimum of one (1) time per month for each well.

The gas production allocated to each well identified in Exhibit A shall be determined by separating and measuring the gas production from that well for a minimum of twenty-four (24) consecutive hours. Applicant shall conduct this test a minimum of one (1) time per month for each well.

The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than thirty (30) days until the well commences production.

- 3. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 4. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
- 5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.

Order No. PLC-842

- 6. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 7. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 8. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 9. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION



DATE: 10/13/2022

	State of New Mex	xico		
	Energy, Minerals and Natural Re	sources Department		
	Exhibit A	A		
	Order: PLC-842			
	Operator: Mack Energy C	Corporation (13837)		
	Central Tank Battery: Dash for Cash	Fank Battery		
Central	Fank Battery Location: UL M, Section 5	5, Township 18 Sout	h, Range 35 Eas	st
Gas Title Tr	ansfer Meter Location: UL M, Section 5	5, Township 18 Sout	h, Range 35 Eas	st
	D 1			
	Pools			
		ool Name	Pool Code	
		UM; BLINEBRY	61850	
	VACUUM;GRAYBUR	RG-SAN ANDRES	62180	
	Leases as defined in 19.15.	12.7(C) NMAC		
	Lease	UL or Q/Q	S-T-R	
	EO 65040005	L	5-18S-35E	
	EO 65040003	K M N	5-18S-35E	
	Wells			
Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-40291	Dash for Cash #1	L	5-18S-35E	61850
30-025-40292	Dash for Cash #2	Μ	5-18S-35E	62180

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District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:	
MACK ENERGY CORP	13837	
P.O. Box 960	Action Number:	
Artesia, NM 882110960	118442	
	Action Type:	
	[C-107] Surface Commingle or Off-Lease (C-107B)	

CONDITIONS				
	Created By	Condition	Condition Date	
	dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	10/14/2022	

CONDITIONS

Page 20 of 20

Action 118442

SUFTATIONS DL., G	anta re, Nivi e	57505
05) 476-3470 F	ax:(505) 476-	3462
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