



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

COMMINGLING ORDER PC-1134

Pro NM Energy, Inc.
460 St. Michael's Dr. #300
Santa Fe, NM 87505

Attention: Jolene Dicks

The above named company is hereby authorized to surface commingle Basin-Dakota Prorated Gas (71599) and Basin-Fruitland Coal Gas (71629) Pool production from the following acreage in San Juan County, New Mexico:

Lease: SF-078899-A and SF-078899
Description: W/2 of Section 8, T-26 North, R-11 West, NMPM;

Well: Gracia Fed Well No. 8-C (API No. 30-045-31819) located in Unit C
Pool: Basin-Fruitland Coal Gas

Well: Oneda Well No. 1 (API No. 30-045-20664) located in Unit C
Pool: Basin-Dakota Prorated Gas

Each of these wells shall have an allocation meter installed and calibrated and gas production shall be allocated back from the sales meter to each well using these allocation meter volumes.

NOTE: It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the supervisor of the Aztec district office prior to implementation of this commingling operation.

DONE at Santa Fe, New Mexico, on this 29th day of November 2004.

Mark E. Fesmire, P.E.
Director

MEF: wvjj
cc: Oil Conservation Division – Aztec
Bureau of Land Management – Farmington