

PLC

Order

Approved: 06/19/19

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne Sandoval, Division Director Oil Conservation Division



June 13, 2019

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-576

Hilcorp Energy Company Attention: Ms. Etta Trujillo

Pursuant to your application received on May 22, 2019, Hilcorp Energy Company (OGRID 372171) is hereby authorized to surface commingle gas production from the following pools located in Section 15, Township 24 North, Range 6 West, NMPM, Rio Arriba County, New Mexico;

BALLARD PICTURED CLIFFS (GAS) (71439) DEVILS FORK GALLUP (ASSOCIATED) (17610)

and from the following diversely owned federal leases in said Section, Township, and Range in Rio Arriba County, New Mexico.

Lease: Canyon Largo Unit Description: NW/4 of Section 15

Well: Canyon Largo Unit Well No. 21 30-039-60032

Pool: Ballard Pictured Cliffs (Gas)

Lease: Canyon Largo Unit Description: N/W/4 of Section 15

Well: Canyon Largo Unit Well No. 119 30-039-05491

Pool: Devils Fork Gallup (Associated)

The commingled gas production from the wells detailed above shall be measured and sold at the Canyon Largo Unit Well No. 119 Central Tank Battery (CDP) located in Unit E of Section 15, Township 24 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

Production from the subject wells shall be determined as follows:

The wells shall be measured with a combination of metering and subtraction. Canyon Largo Unit Well No. 119 shall be metered continuously prior to commingling with the Canyon Largo Unit Well No. 21. Production from the Canyon Largo Unit Well No. 21 shall be determined by

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subtracting the metered production at the CDP minus the metered production at the Canyon Largo Unit Well No. 119.

No commingling of liquids shall occur.

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

Subsequently drilled wells that produce from the subject pool within the dedicated acreage 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 operator shall notify the transporter of this commingling authority.

Subject to like approval from the Bureau of Land Management.

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

ADRIENNE SANDOVAL

Oil Conservation Division Director

AS/mam

cc: Oil Conservation Division District Office – Aztec Bureau of Land Management – Farmington