

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 Secretary

Adrienne Sandoval, Director
Oil Conservation Division



June 21, 2019

Surface Commingling Order PLC-568

MUSTANG RESOURCES LLC
Attention: Ms. Darlene Hadlock

Pursuant to your application received on May 31, 2019, Mustang Resources LLC (OGRID 373495) is hereby authorized to surface commingle gas production from the following pools located in Section 23, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico;

BLANCO PICTURED CLIFFS (GAS)	(72359)
OTERO CHACRA (GAS)	(82329)
BLANCO-MESAVERDE (PRORATED GAS)	(72319)

and from the following diversely owned federal wells and leases in Section 23, Township 29 North, Range 9 West, in San Juan County, New Mexico.

Lease:	Federal Lease NMSF 080000A	
Dedication:	Lot 3/ Unit C, Lot 4/ Unit D, Lot 5/ Unit E, Lot 6/ Unit F (NW/4 equivalent) of Section 23	
Well:	Simmons Well No. 4	API 30-045-11861
Pool:	Blanco Pictured Cliffs (Gas)	

Lease:	Federal Lease NMSF 080000A	
Dedication:	Lot 3/ Unit C, Lot 4/ Unit D, Lot 5/ Unit E, Lot 6/ Unit F, Lot 11/ Unit K, Lot 12/ Unit L, Lot 13/ Unit M, Lot 14/ Unit N (W/2 equivalent) of Section 23	
Well:	Simmons E Well No. 2 A	API 30-045-22802
Pools:	Otero Chacra (Gas) Blanco-Mesaverde (Prorated Gas)	

The commingled gas production from the wells detailed above shall be measured and sold at the Simmons E Well No. 2 A Central Tank Battery (CDP) located in Lot 5/ Unit E of Section 23, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico.

Production from the subject wells shall be determined as follows:

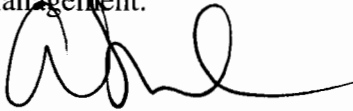
The wells shall be measured with a combination of metering and subtraction. Simmons E Well No. 2 A shall be metered continuously prior to commingling with the Simmons Well No. 4. Production from the Simmons Well No. 4 shall be determined by subtracting the metered production at the CDP minus the metered production at the Simmons E Well No. 2 A.

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

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

The Operator shall notify the transporter of this commingling authority and the District Office prior to implementation of commingling operations.

This administrative order is subject to like approval from the Bureau of Land Management.



Adrienne Sandoval
Director

AS/mam

cc: Oil Conservation Division - Aztec
Bureau of Land Management - Farmington