

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



July 16, 2019

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-584

Hilcorp Energy Company
Attention: Ms. Etta Trujillo

Pursuant to your application received on June 24, 2019, Hilcorp Energy Company (OGRID 372171) is hereby authorized to surface commingle gas production from the following pools located in Section 5, 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:	SW/4 of Section 5	
Well:	Canyon Largo Unit Well No. 120	30-039-05632
Pool:	Ballard Pictured Cliffs (Gas)	

Lease:	Canyon Largo Unit	
Description:	SE/4 of Section 5	
Well:	Canyon Largo Unit Well No. 303	30-039-22685
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. 303 Central Tank Battery (CDP) located in Unit O of Section 5, 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. 303 shall be metered continuously prior to commingling with the Canyon Largo Unit Well No. 120. Production from the Canyon Largo Unit Well No. 120 shall be determined by

subtracting the metered production at the CDP minus the metered production at the Canyon Largo Unit Well No. 303.

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