

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



August 14, 2019

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-593
AMENDS ADMINISTRATIVE ORDER PLC-481

Fasken Oil and Ranch LTD
Attention: Ms. Addison Guelker

Pursuant to your application received on July 24, 2019, Fasken Oil and Ranch LTD (OGRID 151416) is hereby authorized to surface commingle gas production from the following pools:

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|---------------------------------|---------|
| Avalon; Upper Penn (Gas) | (71000) |
| Burton Flat; Strawn, West (Gas) | (73400) |
| Catclaw Draw; Delaware, East | (10500) |
| Avalon; Strawn (Gas) | (71080) |

and from the following diversely owned federal wells and leases in Section 10, Township 21 South, Range 26 East, in Eddy County, New Mexico.

Lease: Federal Communitization Agreement NMNM 100717
Description: Lot O1, Lot 1, Lot 5, Lot 6, Lot 7, Lot 8, Lot 11, and Unit P (E/2 equivalent) of Section 10
Well: Lake Shore 10 Federal Com. Well No. 2 API 30-015-29879
Pools: Avalon; Upper Penn (Gas)
Burton Flat; Strawn, West (Gas)

Lease: Federal Communitization Agreement NMNM 101369
Description: Lot 2/ Unit C, Lot 3/ Unit D, Lot 4/ Unit F, Lot 9/ Unit K, Lot 10/ Unit N, SW/4 NW/4, and W/2 SW/4 (W/2 equivalent) of Section 10
Well: Lake Shore 10 Federal Com. Well No. 3 API 30-025-30480
Pool: Avalon; Strawn (Gas)

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| Lease: | Federal Lease NMNM 101369 | |
| Description: | Lot 2/ Unit C, Lot 3/ Unit D, Lot 4/ Unit F, Lot 9/ Unit K, Lot 10/ Unit N, SW/4 NW/4, and W/2 SW/4 (W/2 equivalent) of Section 10 | |
| Well: | Lake Shore 10 SC Federal Well No. 4 | API 30-015-31569 |
| Pool: | Avalon; Strawn (Gas) | |
| Lease: | Federal Lease NMNM 3606 | |
| Description: | Lot 5 (SW/4 NE/4 equivalent) of Section 10 | |
| Well: | Lake Shore 10 Federal Well No. 5 | API 30-015-33234 |
| Pool: | Catclaw Draw; Delaware, East | |
| Lease: | Federal Lease NMNM 3606 | |
| Description: | Lot 4 (SE/4 NW/4 equivalent) of Section 10 | |
| Well: | Avalon 10 Federal Well No. 22 | API 30-015-31653 |
| Pool: | Catclaw Draw; Delaware, East | |
| Lease: | Federal Lease NMNM003606 | |
| Description: | Lot 4 (NE/4 SW/4 equivalent) of Section 10 | |
| Well: | Avalon 10 Federal Well No. 23 | API 30-015-31545 |
| Pool: | Catclaw Draw; Delaware, East | |

The commingled gas production from the wells detailed above shall be measured and sold at the Lake Shore 10 Federal Com. Well No. 3 central tank battery (CTB) located in Lot 9 (NE/4 SW/4 equivalent) of Section 10, Township 21 South, Range 26 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The gas production from each of the wells shall be measured separately before commingling at the CTB.

Oil production shall be measured separately at the individual leases.

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

After initial notification, future wells that will produce from the pools and leases approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

Administrative Order PLC-593
Fasken Oil and Ranch LTD
August 14, 2019
Page 3 of 3

This Order supersedes Administrative Order PLC-481, issued on June 15, 2018. This Administrative Order adds the Lake Shore 10 SC Federal Well No. 4 and the Avalon 10 Federal Well No. 23.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.



Adrienne Sandoval
Director

AS/mam

cc: Oil Conservation Division District Office – Artesia
Bureau of Land Management – Carlsbad