

State of New Mexico
Energy, Minerals and Natural Resources Department

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David R. Catanach, Division Director
Oil Conservation Division



April 14, 2017

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-468
Administrative Application Reference No. pMAM1708260220

Fasken Oil and Ranch LTD
Attention: Ms. Addison Long

Pursuant to your application received on March 23, 2017, Fasken Oil and Ranch LTD (OGRID 151416) is hereby authorized to surface commingle gas production from the following pools:

Corbin; Queen, South (Oil) (13290)
E-K; Bone Spring (21650)
E-K; Delaware (21655)

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

Lease: Federal Lease NMNM-26692
Description: N/2 SE/ 4, SE/4 SW/4, and SW/4 SE/4 of Section 26, Township 18 South, Range 33 East
Well: Federal 26 A Well No. 1 API 30-025-29249
Federal 26 A Well No. 4 API 30-025-39809
Federal 26 A Well No. 5 API 30-025-39810
Federal 26 A Well No. 6 API 30-025-39811
Pool: Corbin; Queen, South (Oil)
E-K; Delaware

Lease: Federal Lease NMNM-26692
Description: SE/4 SE/4 of Section 26, Township 18 South, Range 33 East
Well: Federal 26 A Well No. 3 API 30-025-39008
Pool: E-K; Delaware
E-K; Bone Spring

Lease: Federal Lease NMNM-96782
Description: SW/4 SE/4 of Section 27, Township 18 South, Range 33 East
Well: Federal 27 Well No. 1 API 30-025-29250
Pool: E-K; Bone Spring

The commingled gas production from the wells detailed above shall be measured and sold at the Federal 27 central tank battery (27 CTB) in Unit M of Section 27, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The gas production from Federal 26 A Well No. 1, Federal 26 A Well No. 4, and Federal 26 A Well No. 5, and Federal 26 A Well No. 6, shall be measured with a combination of metering and well testing at the Federal 26 Central Tank Battery (26 CTB) located in Unit N, Section 26, Township 18 South Range 33 East. After the production is measured from the previously listed wells, it shall flow to the 27 CTB. Production from the Federal 27 Well No. 1 shall be determined by subtracting the metered production at the Central Delivery Point minus the production at the 26 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.

This Administrative Order supersedes PC-1226, issued on April 19, 2010, by adding the diversely owned well in Section 27, Township 18 South, Range 33 East.

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

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DAVID R. CATANACH
Director

DRC/mam

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