



New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



**Administrative Order DHC-4266**  
**Order Date: April 21, 2010**  
**Application Reference Number: pTGW1008250593**

M&G Drilling Co.  
c/o Walsh Engineering  
Attn: Mr. Paul C Thompson  
7415 E. Main St.  
Farmington, NM 87402

**Re: Marron Well No. 94**  
**API No: 30-045-23578**  
**Unit F, Section 23, Township 27 North, Range 8 West, NMPM**  
**San Juan County, New Mexico**

<b>Pools:</b>	<b>BASIN FRUITLAND COAL (GAS)</b>	<b>71629</b>
	<b>OTERO CHACRA (GAS)</b>	<b>82329</b>

Dear Mr. Thompson:

Reference is made to your application (filed with the Division on March 23, 2010) for an exception to Division Rule 12.9.A. to permit commingling of production from the subject pools in the wellbore of the subject well.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 12.11.A, that reservoir damage or waste will not result from such downhole commingling, and that correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with Division Rule 12.11.A.(6), the production attributed to any commingled, prorated pool shall not exceed the allowable applicable to that pool.

It is our understanding that ownership interests are identical between pools that will be commingled within this well. It is further understood that you will allocate the first 20 mcf per day of gas production to the Otero Chacra, based on current production history, and that all incremental production will be allocated to the Basin Fruitland Coal. We further understand that neither formation produces any liquid hydrocarbons.



The operator shall notify the Division's district office upon implementation of commingling operations.

Pursuant to Rule 12.11.B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



MARK E. FESMIRE, P.E.  
Acting Director

MEF/db

cc: Oil Conservation Division – Aztec  
Bureau of Land Management