NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER CTB-539

Breck Operating Company
C/o Walsh Engineering
7415 E. Main St.
Farmington, New Mexico 87402

Attention: Paul C. Thompson, P.E.

The above-named company is hereby authorized to commingle the following wells and dedicated acreage within the Basin-Fruitland Coal Gas Pool.

Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico

Section 3	All	Basin-Fruitland Coal Gas Pool

Currently the following wells are located in this acreage and producing from this pool.

Kutz Government Well No. 6 (in Unit B) Basin-Fruitland Coal (Gas 71629)	API No. 30-045-06934 E/2 Dedication
Kutz Government Well No. 7S (in Unit F) Basin-Fruitland Coal (Gas 71629)	API No. 30-045-31736 W/2 Dedication

Due to diverse revenue interests in these wells, gas allocation meters shall be installed on all wells prior to the custody transfer meter and used to calculate individual well sales and production.

REMARKS: The commingled natural gas production is approved for delivery to a sales point located near the Kutz Government Well No. 6 location.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

DONE at Santa Fe, New Mexico, on this 10th day of February 2004.

Lori Wrotenbery (w vjj)
LORI WROTENBERY,
Division Director

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