



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

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Cabinet Secretary

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Oil Conservation Division



Surface Commingling Permit PLC-190-A
October 18, 2010

Maralex Resources, Inc.
PO Box 338
Ignacio, CO 81137

Attention: Doris Ney

The above named company is hereby authorized to surface commingle gas production from the following two wells with production from a total of two pools. Both wells are located in Unit letter L of Section 8, Township 26 North, Range 11 West, NMPM, San Juan County, New Mexico.

Gracia Federal Well No. 8L (30-045-28809)
Basin Fruitland Coal Gas Pool (71629) Gas Spacing Unit consisting of the W/2 of Section 8.

Oneda Well No. 1E (30-045-34145)
Basin Dakota Prorated Gas Pool (71599) Gas Spacing Unit consisting of the W/2 of Section 8.

It is our understanding:

- a. These two wells are diversely owned with many revenue interest owners.
- b. Federal lease SF-078899 consists of the W/2 SW/4 of Section 8.
- c. Federal lease SF-078899-A consists of the E/2 SW/4 and NW/4 of Section 8.
- d. The Gracia Federal Well No. 8L has a gas fired pumping unit.
- e. The commingled gas will be compressed for sales using a gas fired compressor.
- f. The CDP is located "on lease" in Unit letter L of Section 8.

The operator shall install continuous-reading gas allocation meters on both wells prior to commingling, compression, and sales through the CDP. Information from the two allocation meters shall be used to estimate production from each well and to help estimate fuel gas usage attributable to each well. No liquids shall be commingled.



NOTE: The Operator/producer shall notify the transporter of this commingling authority. The operator shall notify the district office of the Division upon commencement of commingling operations.



MARK E. FESMIRE, P.E.,
Acting Division Director

MEF/wvj

cc: Oil Conservation Division – Aztec
Bureau of Land Management – Farmington