



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Betty Rivera**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

## **COMMINGLING ORDER PLC-198**

Dugan Production Corp.  
P.O. Box 420  
Farmington, New Mexico 87499-0420

Attention: Mr. John D. Roe:

The above named company is hereby authorized to surface commingle gas production from the following described pools within the following described area (hereinafter referred to as the Leah Marie Gas Gathering System Area):

<u>Pool Name</u>	<u>Pool Code</u>
Basin-Fruitland Coal	(Gas - 71629)
WAW Fruitland Sand-Pictured Cliffs	(Gas - 87190)

### Leah Marie Gas Gathering System Area

Township 26 North, Range 12 West, NMPM, San Juan County, New Mexico

Section 23: All

This area contains all or portions of the "Leah Marie" Federal Lease NM-55113 and all or portions of Navajo allotted lease "Mitzi" NOG-9909-1356.

This area currently contains, or will contain, subsequent to completion of additional operations, six wells that are singly completed within one of the pools described above. Dugan Production Corporation operates all wells within this area.

Production shall be allocated by metering the gas production from each of the wells within the Leah Marie Gas Gathering System Area utilizing individual allocation meters. Gas production shall then be commingled and transported to Unit L of Section 23, Township 26 North, Range 12 West, where it will be compressed and delivered through the CDP meter.

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Production shall be allocated back to each well utilizing allocation and sales meter volume data and shall be determined in accordance with the formula set forth within the application to commingle.

No liquids shall be commingled within this Leah Marie Gas Gathering System Area.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the supervisor of the Aztec district office prior to implementation of the commingling process.

PROVIDING: Like approval is also required from the Farmington Indian Minerals Office and the U.S. Bureau of Land Management.

DONE at Santa Fe, New Mexico, on this 22<sup>th</sup> day of March 2002.



LORI WROTENBERY,  
Division Director

LW/WVJ

cc: Oil Conservation Division - Aztec  
Farmington Indian Minerals Office  
U.S. Bureau of Land Management - Farmington