



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PC-1018

Conoco, Inc.
P.O. Box 2197 DU3066
Houston, Texas 77252

Attention: Ms. Deborah Marberry

Lease: Storey CLS Well No. 7 (API No. 30-045-07198) (Federal Lease No. SF077111)
Description: NW/4 NE/4 of Section 27, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico.

The above-named company is hereby authorized to commingle Aztec-Pictured Cliffs (Gas – 71280) and Blanco-Mesaverde (Prorated Gas - 72319) Pool production and to determine the production from each pool by well test. This method is authorized only so long as all commingled production is of marginal nature; further the operator shall notify the Santa Fe office of the Division in the event any well on the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate. All commingled production must be of identical ownership including working interest, royalty interest and overriding royalty interest.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 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.

REMARKS: The commingled gas production shall be delivered to the EPNG sales meter located at the Storey CLS Well No. 7 in NW/4 NE/4 Section 27, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico.

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

Division Order PC-1018

Conoco. Inc.

September 6, 2000

Page 2

PROVIDING: Like approval from the U.S. Bureau of Land Management is also required.

DONE at Santa Fe, New Mexico, on this 6th day of September, 2000.



LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division- Aztec
U.S. Bureau of Land Management – Farmington