



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-1023

Cross Timbers Operating Company
2700 Farmington Avenue, Building K, Suite 1
Farmington, New Mexico 87401

Attention: Mr. Ray Martin

LEASE: J.C. Davidson Well No. 1 (API No. 30-045-07213), Davidson Gas Com F Well No. 1E (API No. 30-045-24113), and J.C. Davidson Well No. 2R (API No. 30-045-30232)

DESCRIPTION: NW/4 of Section 28, Township 28 North, Range 10 West, NMPM, San Juan County, New Mexico.

The above-named company is hereby authorized to commingle Kutz-Fruitland Sand (Gas – 79600), Basin-Dakota (Prorated Gas – 71599), and Fulcher Kutz-Pictured Cliffs (Gas – 77200) Pool production from the above mentioned lease. The production from each pool shall be separately metered by allocation meters prior to commingling. Oil production will not be commingled. Fuel gas usage will be allocated equally between the wells.

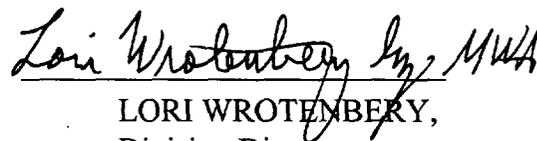
NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: The commingled natural gas production shall be delivered to the Williams Field Services meter (#32978) located in the NW/4 of Section 28, Township 28 North, Range 10 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.

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DONE at Santa Fe, New Mexico, on this 11th day of December, 2000.


LORI WROTEMBERG,
Division Director

LW/MWA/kv

cc: Oil Conservation Division- Aztec