



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-1043

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

Attention: Ms. Loren W. Fothergill

LEASE: J. C. Gordon Federal
WELL: J. C. Gordon "A" No. 1 (API No. 30-045-06423)
Fulcher Kutz-Pictured Cliffs Gas Pool
DESCRIPTION: NW/4 of Section 22, Township 27 North, Range 10 West, NMPM,
San Juan County, New Mexico

LEASE: J. C. Gordon Federal
WELL: J. C. Gordon "D" No. 2 (API No. 30-045-06434)
Basin-Dakota Coal Gas Pool
DESCRIPTION: W/2 of Section 22, Township 27 North, Range 10 West, NMPM,
San Juan County, New Mexico

The above-named company is hereby authorized to commingle Fulcher Kutz-Pictured Cliffs (Gas – 77200) and Basin-Dakota (Prorated Gas – 71599) Gas Pool production from the above mentioned lease and to determine production from each pool by separately metering the production from the J. C. Gordon "A" No. 1 and the J. C. Gordon "D" No. 2 utilizing allocation meters.

Compressor fuel gas will be allocated to each well in accordance with the formula contained within the application to commingle.

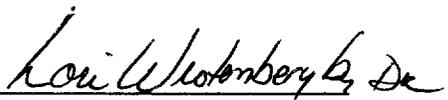
NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter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

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REMARKS: The commingled natural gas production shall be delivered to a gas sales meter located in Unit D of Section 22, Township 27 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 commingling operations.

DONE at Santa Fe, New Mexico, on this 21st day of August, 2001.


LORI WROTENBERY,
Division Director

LW/DRC

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