

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.*

RECEIVED

2003 JUL 25 11:11 AM

070 Farmington, NM

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>NM NM 33052</b>
2. Name of Operator <b>Coleman Oil &amp; Gas, Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>P O Drawer 3337, Farmington, NM 87499-3337</b>	3b. Phone No. (include area code) <b>(505) 327-0356</b>	7. If Unit or CA/Agreement, Name and/or No. <b>NMA</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1175' FSL and 1610 FEL, Unit O, Section 33, Twp 32N, Rge 7W</b>		8. Well Name and No. <b>Middle Mesa Com # 3S</b>
		9. API Well No. <b>30-045-31369</b>
		10. Field and Pool, or Exploratory Area <b>Basin Fruitland Coal</b>
		11. County or Parish, State <b>San Juan County, NM</b>

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <b>See below</b>
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Implementation of the surface commingling process for the Middle Mesa #2 and Middle Mesa Com #3S wells occurred on Thursday, July 3, 2003 the date the Middle Mesa Com #3S well was first produced into Williams Field Service facilities.

NMOCD REC'D  
9/15/20

OCD accepted for record

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) <b>Bryan Lewis</b>	Title <b>Landman</b>
Signature <i>Bryan Lewis</i>	Date <b>July 24, 2003</b>
THIS SPACE FOR FEDERAL OR STATE USE	
Approved by	Title
	Date
OCT 31 2003	
FARMINGTON FIELD OFFICE	
BY <i>[Signature]</i>	
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	

(Instructions on reverse)

OPERATOR



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

COMMINGLING ORDER PLC-233

Coleman Oil & Gas, Inc.  
PO Drawer 3337  
Farmington, New Mexico 87499

Attention: Mr. Bryan Lewis

The above named company is hereby authorized to surface commingle production from operated wells within the following pools and acreage.

South Los Pinos-Fruitland Sand Pictured Cliffs (Gas 80690),  
SE/4 of Section 33, Township 32 North, Range 7 West, NMPM, San Juan County, New Mexico

Basin-Fruitland Coal (Gas 71629),  
S/2 of Section 33, Township 32 North, Range 7 West, NMPM, San Juan County, New Mexico

The following wells are currently producing within these pools and in this acreage and are therefore included in this commingle at this time.

Middle Mesa Well No. 2	API 30-045-23093
South Los Pinos-Fruitland Sand Pictured Cliffs	SE/4 Dedication
NW/4 SE/4, Section 33, Township 32 North, Range 7 West, NMPM, San Juan County, New Mexico	

Middle Mesa Com Well No. 3S	API 30-045-31369
Basin-Fruitland Coal	S/2 Dedication
SW/4 SE/4, Section 33, Township 32 North, Range 7 West, NMPM, San Juan County, New Mexico	

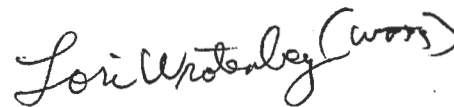
Allocation gas meters shall be installed on all wells included in this commingle and regularly calibrated for accuracy. Each well's gas sales, production, and BTU values shall be calculated using data collected from allocation rate meters, total CPD sales, lost gas, fuel gas, and periodic BTU tests. Compressor fuel gas usage shall be calculated for each well based on that well's ratio of the total of all the allocation meters feeding that compressor.

Condensate and water shall not be commingled. The measurement and sales point for commingled gas may occur off lease.

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

Administrative Order PLC-233  
Coleman Oil & Gas, Inc.  
July 16, 2003  
Page 2 of 2

DONE at Santa Fe, New Mexico, on this 16th day of July 2003.

A handwritten signature in cursive script, reading "Lori Wrotenbery (wms)".

LORI WROTENBERY,  
Division Director

LW/wvjj

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



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington Field Office  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401

IN REPLY REFER TO:

3162.7-3

July 16, 2003

Coleman Oil and Gas Company  
Attn.: Bryan Lewis  
P.O. Drawer 3337  
Farmington, New Mexico 87499

Dear Mr. Lewis:

Reference is made to your application for surface commingling and sales of gas from the following wells:

**Middle Mesa No. 2, located in the NWSE section 33-32N-7W on Lease No. NM-33052, in the Los Pinos Fruitland Sand-Pictured Cliffs.**

**Middle Mesa Com No. 3S, located in the SWSE section 33-32N-7W on Lease No. NM-33052, in the Basin Fruitland Coal.**

You propose to measure gas production from the referenced wells at the Williams Field Services Central Delivery Point (CDP) meter at the Middle Mesa No. 2 well site. The CDP meter no. is 8510201.

Your application indicates that measurement at a central delivery point (CDP) is necessary to effectively and economically operate these wells and extend the economic life of the properties. We have considered the merits of your application and concur with your findings. As such, you are hereby authorized to measure natural gas in accordance with the procedures outlined in your application unless otherwise modified by conditions outlined below:

- Liquid hydrocarbons produced at the CDP will be allocated back to each well in proportion to the well's allocated gas production. Fuel used at the CDP must be allocated back to each contributing well in proportion to each well's allocated gas production.
- Allocation must be made on an MMBTU Basis.
- Measurement of gas at the CDP must be conducted in accordance with the requirements outlined in Onshore Order No. 3, Site Security, Onshore Order No. 4, Oil

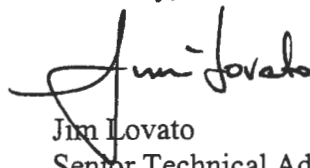


Measurement, and Onshore Order No. 5, Gas Measurement.

- In order to prevent waste and conserve natural gas, periodic review of each well's venting procedures must be conducted in accordance with the requirements outlined in NTL-ADO-93-1. Purged gas must be allocated in proportion to each well's allocated gas production.
- No other wells can be added to this system of measurement without the prior approval of this office.
- Contact this office in the event of any lost hydrocarbons between the wells and the central delivery point.

Failure to operate this facility in accordance with the conditions outlined above may subject this approval to revocation. In addition, this office reserves the right to rescind this approval should future evaluation of this method of measurement indicate that royalties would be reduced. If you have any questions regarding the above contact me at (505) 599-6367.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Lovato", written over the printed name.

Jim Lovato  
Senior Technical Advisor,  
Petroleum Management Team

Cc:  
NMOCD: Santa Fe

District I  
Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 00, Artesia, NM 88211-0719

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1992  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code	Property Name MIDDLE MESA COM	Well Number 3S
OGRID No. 4838	Operator Name COLEMAN OIL & GAS, INC.	Elevation 6680'

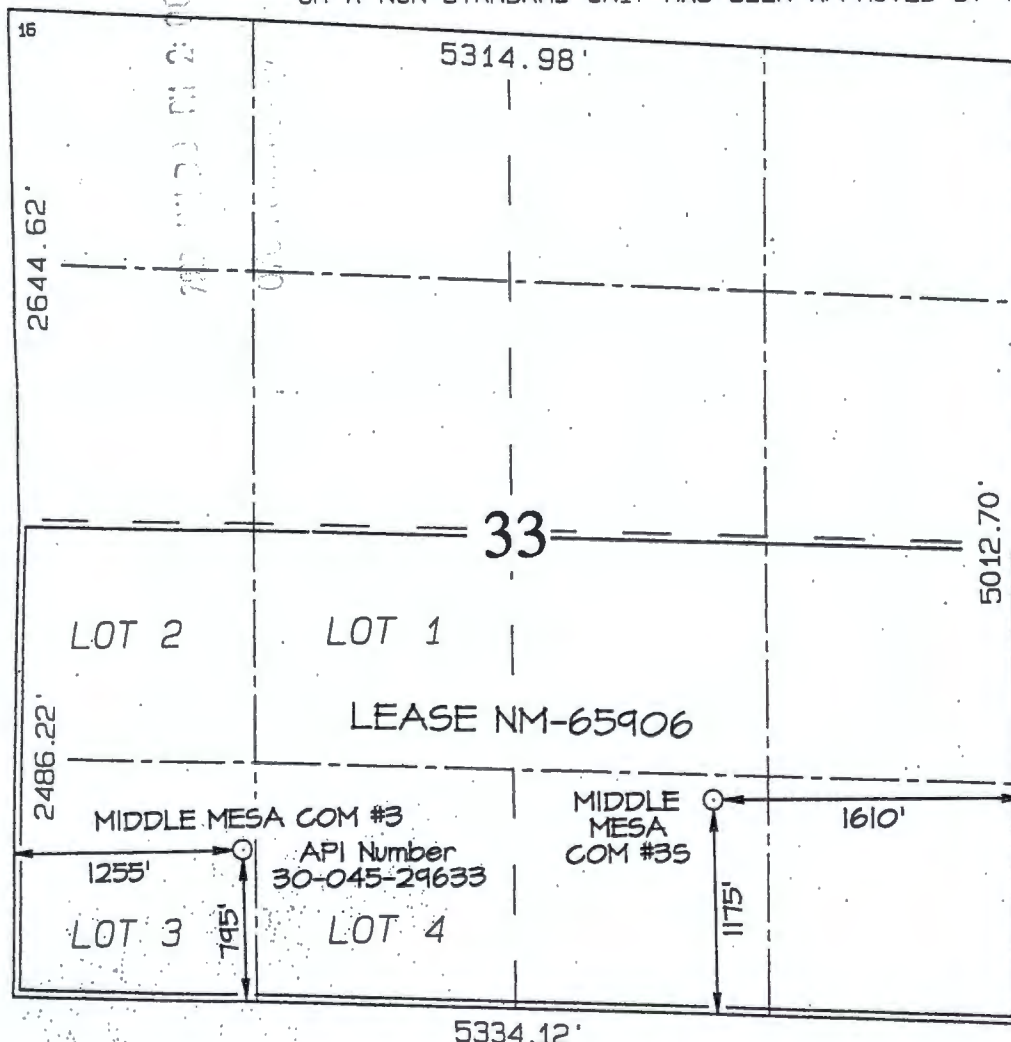
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	33	32N	7W		1175	SOUTH	1610	EAST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 310.80 Acres - (S/2)					<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



<sup>17</sup> OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

*Michael T. Hanson*  
Signature

Michael T. Hanson  
Printed Name

Engineer  
Title

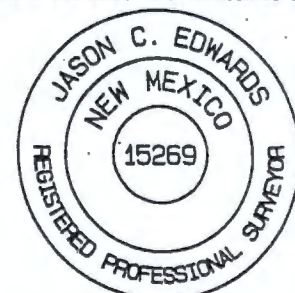
01/23/03  
Date

<sup>18</sup> SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Survey Date: DECEMBER 6, 2002

Signature and Seal of Professional Surveyor



JASON C. EDWARDS  
Certificate Number 15269