



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

September 17, 2007

Robert R. Lewis  
1680 Esther Lane  
Rogers, AR 72756

RCVD SEP 27 '07  
OIL CONS. DIV.  
DIST. 3

**RE: Downhole Commingling Application from Manana Gas, Inc.**

Well: Crooked Seams #2 (API No. 30-045-33818)

Unit A, Section 14, Township 30 North, Range 12 West, NMPM

San Juan County, New Mexico

Dear Mr. Lewis:

*HT*  
The Division received this application from Mr. Paul Thompson on behalf of Manana Gas, Inc. on April 30, 2007. Internal records show this permit DHC-3878 became effective as approved, after the mandated 20 day suspense period, on May 21, 2007. The date on the approval letter was actually May 7, 2007 – but this is contrary to internal records and considered a typo.

In any event, the Division received your protest letter by certified mail on May 23<sup>rd</sup>, which was after the 20 day wait period.

Based on supporting documentation sent with the application, Manana was approved to allocate 83% of the gas to the Fruitland owners and 17% of the gas (and 100% of any oil) to the Pictured Cliffs owners. The details of this application and permit are available for your review on the Division web site at:

<http://ocdimage.emnrd.state.nm.us/imaging/AEOrderFileView.aspx?appNo=pCLP0712144841>

If you do not agree with the percentage allocation and wish to put on a case for a differing allocation or wish to show cause why this permit should be terminated, you have the option of initiating an Examiner hearing concerning this matter – please consult with your attorney on how to proceed or read and follow Division Rules at: <http://www.emnrd.state.nm.us/ocd/Rules.htm>

Sincerely,

William V. Jones, P.E.

cc: Oil Conservation Division – Aztec  
Manana Gas, Inc. C/o Paul Thompson  
File: DHC-3878