



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director

Oil Conservation Division

Administrative Commingling Order PLC-249

Manana Gas, Inc.
C/o Walsh Engineering
7415 E. Main St.
Farmington, New Mexico 87402

Attention: Paul C. Thompson, P.E.

The above named company is hereby authorized to commingle production from existing and future wells within the following-described pools and associated areas, all located in San Juan County, New Mexico.

Otero-Chacra (Gas 82329)

Township 29 North, Range 11 West, NMPM
Section 24: SW/4

Basin-Fruitland Coal (Gas 71629)

Township 29 North, Range 11 West, NMPM
Section 24: S/2

Currently these areas contain or will soon contain the following wells.

Phyllis Hartman Well No. 1 (API No. 30-045-25241)
Otero-Chacra Gas Pool

Rainbows End Well No. 1 (API No. 30-045-32163)
Basin-Fruitland Coal Gas Pool

This permit shall be amended if additional pool(s) are to be added within these areas as described above or these areas as described above are to be extended.

Production shall be allocated by separately and continuously metering the production from each well or group of wells with identical ownership within this gathering system. Gas production shall then be commingled and transported to a gas sales meter located on this lease in the SW/4 of Section 24, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico.

NOTE: It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

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May 14, 2004
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Done, at Santa Fe, New Mexico on this 14th day of May 2004.



JOANNA PRUKOP,
Acting Division Director

JP/wvjj

cc: Oil Conservation Division – Aztec