

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



August 29, 2013

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-382
Administrative Application Reference No. pPRG1323846582

El Pamco, Inc.
Attention: Mr. Frank A. Welker

Pursuant to your application received on August 6, 2013, El Pamco, Inc. is hereby authorized to surface commingle gas production only from the following pools located in Section 30, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico.

Basin Fruitland Coal Gas Pool (71629)
Aztec Pictured Cliffs Gas Pool (71280)

and from the following diversely owned wells located on private leases in said section, township and range in San Juan County, New Mexico:

McDaniel Well No. 1
API No. 30-045-30752
810 FNL & 1805 FEL,
Unit B, Section 30
Aztec Pictured Cliffs Gas Pool

River Rat Well No. 1
API No. 30-045-33080
1125 FNL & 1130 FEL,
Unit A, Section 30
Basin Fruitland Coal Gas Pool

Each well produces only from the pool identified with such well above. No downhole commingling is authorized.

Gas production shall be commingled at the River Rat Well No.1 sales meter. Production from the McDaniel Well No. 1 will be separately measured, and production allocable to the River Rat

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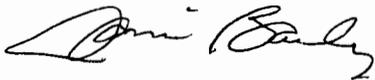
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Well No. 1 will be determined by the subtraction method. All meters shall be calibrated as required by Division Rule 19.15.12.10.C(2) NMAC.

The producer/operator shall notify the transporter of this commingling authority.

The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with a large initial "J" and "B".

Jami Bailey
Division Director

JB/DB

cc: Oil Conservation Division District Office – Hobbs