

# Initial Application Part I

Received: 06/04/2019

*This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete*

|                    |          |          |           |          |                        |
|--------------------|----------|----------|-----------|----------|------------------------|
| DATE IN 06/04/2011 | SUSPENSE | ENGINEER | LOGGED IN | TYPE CTB | APP NO. PMA 1915638707 |
|--------------------|----------|----------|-----------|----------|------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
**- Engineering Bureau -**  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

**[1] TYPE OF APPLICATION - Check Those Which Apply for [A]**

**[A] Location - Spacing Unit - Simultaneous Dedication**  
☐ NSL ☐ NSP ☐ SD

CTB 902

Check One Only for [B] or [C]

**[B] Commingling - Storage - Measurement**  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

**[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery**  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

**[D] Other: Specify** \_\_\_\_\_

**[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply**

**[A] ☒ Working, Royalty or Overriding Royalty Interest Owners**

**[B] ☐ Offset Operators, Leaseholders or Surface Owner**

**[C] ☒ Application is One Which Requires Published Legal Notice**

**[D] ☒ Notification and/or Concurrent Approval by BLM or SLO**  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

**[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,**

**[F] ☐ Waivers are Attached**

**[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

**[4] CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

William Schwab III (Tripp)

Print or Type Name

Signature

Registered Agent for SG Interests, Ltd. 6/4/2019

Title

Date

tripp@nikaenergy.com

e-mail Address

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Issuing Office  
Farmington Field Office

Serial Number  
NMNM-113780

RIGHT-OF-WAY GRANT/TEMPORARY USE PERMIT

1. A (right-of-way) (permit) is hereby granted pursuant to:

☐ a. Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776; 43 U.S.C. 1761);

☒ b. Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185);

☐ c. Other (describe)

2. Nature of Interest:

- a. By this instrument, the holder SG Interests I, Ltd., c/o Nika Energy Operating, LLC PO Box 2677, Durango, CO 81302 receives a right to construct, operate, maintain, and terminate a Compressor Station on public lands (or Federal land for MLA Rights-of-way) described as follows:

T. 20 N., R. 6 W., NMPM, McKinley County, New Mexico  
Section 10: SW $\frac{1}{4}$ NE $\frac{1}{4}$ .

Portado CDP Legals

- b. The right-of-way or permit area granted herein is \_\_\_\_\_ feet wide, \_\_\_\_\_ feet long and contains \_\_\_\_\_ acres, more or less. If a site type facility, the facility contains 5.00 acres.
- c. This instrument shall terminate on 12/31/2034 29 y. 5 mo. years from its effective date unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.
- d. This instrument may be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.
- e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

*Original Off Lease Write up with measurement explanation.*

## **Application for Off-Lease Sales & Measurement**

**SG Interests I, Ltd.  
El Pintado Project  
September 2007**

SGI is submitting for your approval an Off-Lease Sales application for the El Pintado CDP, located in the NW ¼ of Section 10, 20N, 6W. The CDP processes Fruitland Coal bed Methane from leases in T21N-R6W and T20N-R6W as represented in fig #1 (pipeline map). SGI is currently reporting production using the "On-Lease" method. (20 of 57, & 22 of 57)

### **Gathering & Measurement**

The gathering pipeline, sales pipeline and compression facility will be operated in compliance with Onshore Order #5, "Gas Measurement". Each individual well will have a BLM and AGA approved meter run and chart recorder. These allocation meters are owned by SG Interests, Ltd. and will be calibrated, and maintained per BLM standards. The charts are integrated monthly by a third party integrator, (R&L Chart Services). Each well will be individually sampled semi annually as required by BLM standards. The current custody transfer (sales) measurement facility is owned operated, and maintained by the Public Service Company of New Mexico, (PNM). (4 of 57)

Individual well fuel gas usage is limited to the pump jack engines and separator heaters. This gas usage is estimated using manufacturers data at four (4) MCFD per well. (5 of 57)

The CDP, Disposal Well and Transfer station fuel gas usage is measured with BLM and AGA approved meter runs and chart recorders. These fuel gas meters are owned by SG Interests, Ltd. and will be calibrated, maintained, and the charts integrated per BLM standards. (6 of 57, 7 of 57)

### **Combined Production**

Production from Federal leases will be combined with the production of State (NM) leases and will be processed then sold together thru the El Pintado CDP to PNM.

### **Compression & Processing**

The Fruitland Coal bed in this area is considered under-pressured and the maximum shut in casing pressure witnessed at this time has been 200 psi. The PNM sales line pressure operates at 450 psi+ and has a MAOP of 550 psi. Individual wellhead compression is not feasible at this time as the wells do not have enough gas to run a compressor during this de-watering phase of coal bed production. A central delivery point compressor is the only feasible method to produce this field. Individual well delivery points are cost prohibitive as PNM charges \$200,000.00+ for each individual tie in point.

In addition to compression at the CDP there is a heated inlet separator and heated tankage for both free water and waste oil. A dehydrator is in service to ensure pipeline quality gas for contractual agreements with PNM. (4 of 57)

### **Water Disposal**

Adjacent to the CDP facility is a Salt Water Disposal Well, (Pot Mesa #2). This well is integral to the production and economic viability of this project. The disposal is used to inject produced water from only the Fruitland Coal wells located in this project. Water is not trucked into this facility and is serviced by pipeline only. (6 of 57)

Water is pumped directly to this facility from the wellhead by the downhole pumps and pump jacks and is processed thru an inlet separator. The water is sent to storage tankage and the gas measured and introduced to the gas gathering line. This gas will be allocated back to the individual wells as produced on-lease. Using the downhole pump directly eliminates the need for several well site transfer pumps and is more efficient with fuel gas usage. (5 of 57)

### **North El Pintado Water Transfer**

One transfer station is now utilized in this project. Water is pumped directly to this facility from the wellhead by the downhole pumps and pump jacks and is processed thru an inlet separator. The water is sent to storage tankage and the gas measured and introduced to the gas gathering line. This gas will be allocated back to the individual wells as produced on-lease. The water is then pumped to the disposal via a natural gas powered water transfer pump. Distance and elevation changes make this station necessary. (7 of 57)

### CDP, Disposal, and Water Transfer Fuel Gas System

Fuel gas for the CDP and Water Disposal is provided by the CDP. The fuel gas is gathered, separated, compressed, dehydrated and measured before providing fuel for the inlet separator, compressor, tank heaters, dehydrator, and the water injection pump.

Fuel gas for the Water Transfer is provided by the gathering line. The gas is measured with a BLM & AGA approved meter run and chart recorder.

### Fuel Gas Usage by Equipment

#### Off-Lease

| Equipment  | Gas Usage | Method Derived     |
|--|-----------|--------------------|
| CDP & Disposal<br>NG Compressor<br>Inlet Separator<br>Dehydrator<br>Tankage<br>Disposal Injection Pump<br>Disposal Inlet Separator | 17 MCFD   | Actual Measurement |
| Water Transfer Pump  | 1 MCFD    | Mfg Estimate       |

#### On-Lease

|                      |        |                |
|----------------------|--------|----------------|
| Pump Jacks           | 2 MCFD | Mfg Calculator |
| Well Site Separators | 2 MCFD | Mfg Estimate   |

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Grande Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                            |                                       |                        |
|----------------------------|---------------------------------------|------------------------|
| API Number<br>30-045-21096 | Well Code<br>71629                    | Well Name<br>FRUITLAND |
| Property Code              | Property Name<br>NAVAJO 20-6-6        | Well Number<br>1       |
| GRID No.<br>20572          | Operator Name<br>SG INTERESTS I, LTD. | Elevation<br>6685      |

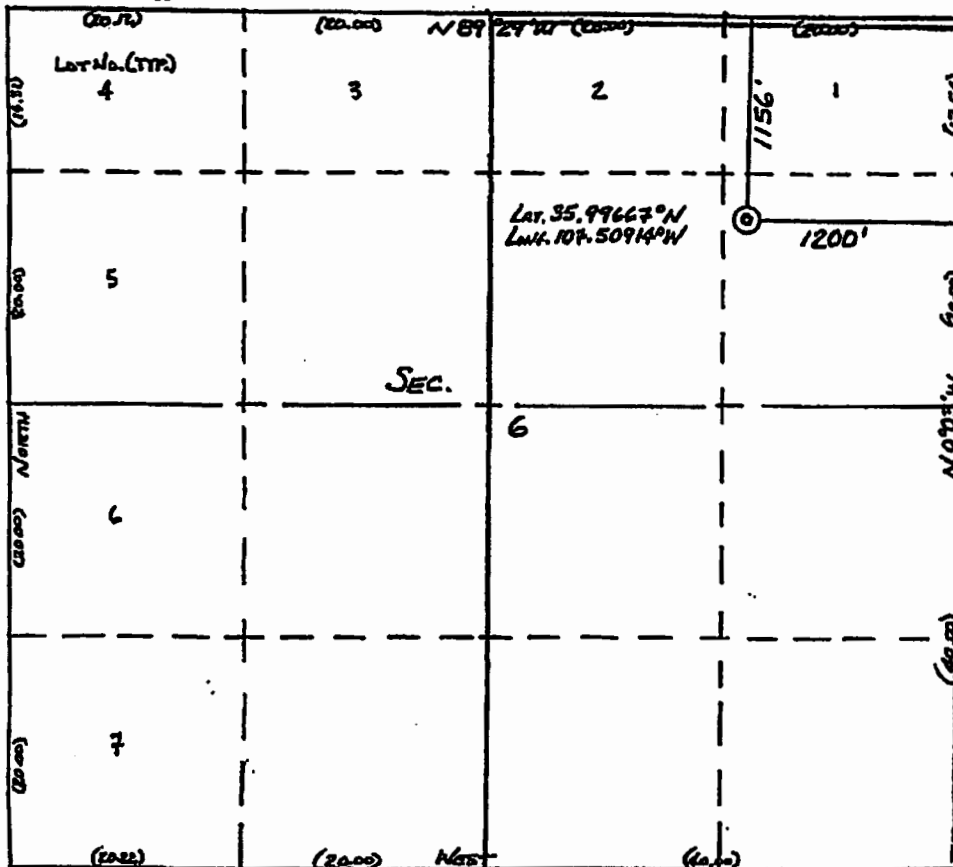
Surface Location

| UL or lot no. | Section | Township | Range | Lot No. | Feet from the | North/South Line | Feet from the | East/West Line | County   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| H             | 6       | 20N      | 6W    |         | 1156          | North            | 1200          | East           | McKinley |

Bottom Hole Location If Different From Surface

| UL or lot no.             | Section       | Township           | Range     | Lot No. | Feet from the | North/South Line | Feet from the | East/West Line | County |
|---------------------------|---------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
|                           |               |                    |           |         |               |                  |               |                |        |
| Dedicated Acres<br>294.93 | Job or Infill | Consolidation Code | Order No. |         |               |                  |               |                |        |

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



17 OPERATOR CERTIFICATION

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

Signature  
William Schabert

Printed Name  
William Schabert

Title and E-mail Address  
Asst. Manager, nikaenergy.com

Date  
2/23/06

18 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.

Date of Survey  
09 Feb 2006

Signature and Seal of Professional Surveyor  
William E. Mahnke II

Certificate Number  
8466

|                          |  |       |       |  |                         |  |
|--------------------------|--|-------|-------|--|-------------------------|--|
| 16                       | N 88° 54' W<br>80.15 ch.               |       |       |  | N 0° 06' E<br>80.20 ch. | 17 OPERATOR CERTIFICATION<br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.<br><u>Wm Schwab III</u><br>Signature<br><u>William Schwab III</u><br>Printed Name<br><u>AGENT - SO INTERESTS</u><br>This well B-trail Address <u>Tripp @ nika energy.com</u><br>Date <u>9/6/06</u>  |
| 80.51 ch.                |  |       |       |  |                         | 18 SURVEYOR CERTIFICATION<br>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.<br><u>O.A. May 2006</u><br>Date of Survey<br><u>[Signature]</u><br>Signature and Seal of Professional Engineer<br><u>William E. Mannke II</u><br>Certificate Number <u>8466</u> |
| N 0° 12' W               | LAT. 36.03269° N<br>LONG. 107.49064° W |       |       |  |                         |  |
|                          |  |       |       |  |                         |  |
| N 89° 09' W<br>79.69 ch. |  | 1266' | 1931' |  |                         |  |



**District I**

1625 N. French Dr., Hobbs, NM 88240

**District II**

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**District IV**

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                                     |  |  |  |  |                            |
|-------------------------------------|--|--|--|--|----------------------------|
| 1 API Number<br><b>30-043-21238</b> |  | 2 Pool Code<br><b>71 629</b>                   |  | 3 Pool Name<br><b>Basin Fruitland Coal</b> |                            |
| 4 Property Code                     |  | 5 Property Name<br><b>NAVAJO 21-7-24</b>       |  |  | 6 Well Number<br><b>4</b>  |
| 7 OGRID No.<br><b>20572</b>         |  | 8 Operator Name<br><b>SG INTERESTS I, LTD.</b> |  |  | 9 Elevation<br><b>6690</b> |

| 10 Surface Location       | 10 Surface Location  | 10 Surface Location     | 10 Surface Location | 10 Surface Location                         | 10 Surface Location                            |
|---------------------------|----------------------|-------------------------|---------------------|---|--|
| UL or Lot No.<br><b>0</b> | Section<br><b>24</b> | Township<br><b>21 N</b> | Range<br><b>7 W</b> | Lot Idn.<br><b>680</b>                      | Feet from the North/South Line<br><b>South</b> |
|                           |                      |                         |                     | Feet from the East/West Line<br><b>1960</b> | County<br><b>East Sandoval</b>                 |

| 11 Bottom Hole Location If Different From Surface |         |                    |       |                       |                                |
|---|---------|--------------------|-------|-----------------------|--------------------------------|
| UL or Lot No.                                     | Section | Township           | Range | Lot Idn.              | Feet from the North/South Line |
|   |         |                    |       |                       |                                |
| 12 Dedicated Acres<br><b>E/2 310</b>              |         | 13 Joint or Infill |       | 14 Consolidation Code |                                |
| 15 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.

|  |   |  |
|--|---|--|
| <p>16</p> <p>N 89°46' W</p> <p>80.66 Ch.</p> <p>Sec.</p> <p>24</p> <p>N 89°40' W</p> | <p>79.37 Ch.</p> <p>Lat. 36.03122° N<br/>Long. 107.52636° W<br/>(NAD 83)</p> <p>1960'</p> <p>680'</p> <p>79.79 Ch.</p>  | <p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> <b>6/30/14</b><br/>Signature Date</p> <p><b>William Schwabitz</b><br/>Printed Name</p> |
|  | <p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Rev. 28 Mar 2014<br/>Date of Survey<br/><b>2014</b></p> <p><i>[Signature]</i><br/>Signature and Seal of Professional Surveyor<br/><b># 8466</b></p> <p><b>William E. Mahre II</b><br/>Certificate Number<br/><b>8466</b></p> |  |

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Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                              |   |                                     |
|------------------------------|---|-------------------------------------|
| 1 API Number<br>30-043-21239 | 2 Pool Code<br>71629                    | 3 Pool Name<br>Basin Fruitland Coal |
| 4 Property Code              | 5 Property Name<br>NAVAJO 21-7-25       | 6 Well Number<br>4                  |
| 7 OGRID No.<br>20572         | 8 Operator Name<br>SG INTERESTS I, LTD. | 9 Elevation<br>6756                 |

10 Surface Location

| UL or Lot No. | Section | Township | Range | Lot Idn. | Feet from the | North/South Line | Feet from the | East/West Line | County   |
|---------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|----------|
| 1             | 25      | 21 N     | 7 W   |          | 1605          | South            | 960           | East           | Sandoval |

11 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 |
|-------------------------------|---------|--------------------|-------|-----------------------|---------------|------------------|---------------|----------------|--------|
|                               |         |                    |       |                       |               |                  |               |                |        |
| 12 Dedicated Acres<br>E/2-320 |         | 13 Joint or Infill |       | 14 Consolidation Code |               | 15 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.

|   |  |             |  |           |            |
|---|--|-------------|--|-----------|------------|
| 16  |  | N 89° 40' W |  | 79.79 Ch. |            |
| 80.66 Ch.   |  |             |  |           | 80.78 Ch.  |
|   |  |             |  |           |            |
|   |  |             | Sec.   |           |            |
|   |  |             | 25   |           |            |
| N 0° 05' W  |  |             | Lat. 38.01913° N<br>Long. 107.52301° W<br>(NAD 83) | 960'      | N 0° 05' E |
|   |  |             |  | 1605'     |            |
|   |  |             |  | 79.51 Ch. |            |
| N 89° 35' W   |  |             |  |           |            |
| 17 OPERATOR CERTIFICATION<br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.<br>Signature: <i>William E. Mohrke II</i> Date: 3/28/2014<br>Printed Name: William E. Mohrke II |  |             |  |           |            |
| 18 SURVEYOR CERTIFICATION<br>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.<br>Rev. 28 Mar 2014<br>Date of Survey: 3/28/2014<br>Signature: <i>William E. Mohrke II</i><br>Printed Name: William E. Mohrke II<br>Certificate Number: 8466   |  |             |  |           |            |

| PROOF OF MAILING |  |                    |                         |   |  |
|------------------|--|--------------------|-------------------------|---|--|
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | State of New Mexico, Commissioner of Public Lands, P. O. Box 2308, Santa Fe, NM 87499                           | 7014 0510 0002 2642 9658               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Advanced Tech O&G, Inc., 11547 Riverview Way, Houston, TX 77077   | 7018 3090 0001 5261 6724               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | William R. Schoen, 5110 San Felipe #84-W, Hc 5110 San Felipe #84-W  | 7014 0510 00022642 9672                |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Probe Resources, Inc., 700 Louisiana, Suite 4250, Houston TX 77002  | 7014 0510 0002 2642 9689               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Albert Haertlien, 432 Cowan, Houston, TX 77007  | 7018 3090 0001 5261 6700               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Daniel Clark, 6010 Burning Tree Drive, Houston, TX 77036  | 7018 3090 0001 5261 6717               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | United States of America, Minerals Management Service, P. O. Box 5810, Denver, CO 80217                         | 7018 3090 0001 5261 7165               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Synergy Operating, LLC, P. O. Box 5513, Farmington, NM 87499  | 7018 3090 0001 5261 7172               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | John T. Cook, 1610 Woodstead Court, Suite 180, The Woodlands, TX 77380  | 7018 3090 0001 5261 7196               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Thomas J Gill, 32043 Ponderosa Way, Evergreen CO 80439  | 7018 3090 0001 5261 7189               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | AROX (Texas) Inc., 110 Cypress Station, Suite 220, Houston, TX 77090  | 7018 3090 0001 5261 7202               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Merrion Oil & Gas Corp, 610 Reilly Avenue, Farmington, NM 87401   | 7018 3090 0001 5261 7219               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Douglas A. Denton, 1501 Princeton Street, Midland, TX 79701   | 7014 0510 0002 2642 9665               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Ward K. & Jane C. Haas, P. O. Box 2255, Huntington, CT 06484  | 7018 3090 0001 5261 7059               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | James E. Geitgey, 2407 Bellechase Court, P. O. Box 51451, Midland, TX 79710                                     | 7018 3090 0001 5261 7066               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | C. Mark Wheeler, 4929 Rustic Trail, Midland, TX 79707   | 7018 3090 0001 5261 7079               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | John Thoma, 1338 Wolff Street, Denver, CO 80204   | 70183090 0001 5261 7080                |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Cathead Investments, LLC, 1907 Yacht Haven Road 'B', Friday Harbor, WA 98250                                    | 7018 3090 0001 5261 7097               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Mr. Kerry Stein, 416 Crestwood, Houston, TX 77007   | 7018 3090 0001 5261 7103               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Rockhill Investments, 2312 Rice Blvd, Houston, TX 77005   | 7018 3090 0001 5261 7110               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Tenkay Resources Inc., 24 Water Way, Suite 700, The Woodlands, TX 77380   | 7018 3090 0001 5261 7127               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Bestwest Investments Ltd., 5900 Highway 290 East, Brenham, TX 77833   | 7018 3090 0001 5261 7134               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Bureau of Land Management, 6251 College Blvd, Suite A, Farmington, NM 87402                                     | 7018 3090 0001 5261 7158               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Discovery Exploration Inc., 2922 Evergreen Pkwy #309, Midland, TX 80439   | 7018 3090 0001 5261 7141               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Eva Largo, P. O. Box 417, Crownpoint, NM 87313  | 7018 3090 0001 5261 6816               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Geneva Largo, P. O. Box 417, Crownpoint, NM 87313   | 7018 3090 0001 5261 6823               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Coleen Largo, P. O. Box 417, Crownpoint, NM 87313   | 7018 3090 0001 5261 6830               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Tomson Largo, P. O. Box 675, Crownpoint, NM 87313   | 7018 3090 0001 5261 6847               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Dorothy Augustine, Box 1051, Crownpoint, NM 87313   | 7018 3090 0001 5261 6854               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Lois Herrera, General Delivery, Counselor, NM 87108   | 7018 3090 0001 5261 6861               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Penwell Energy, Inc., Attorney-In-Fact for San Juan Joint Venture,<br>200 N. Lorraine Street, Midland, TX 79701 | 7018 3090 0001 5261 6878               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Helen J. Chee, Pueblo Pintado School, Cuba, NM 87013  | //////////<br>7018 3090 0001 5261 6885 |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Juanita Jim, P. O. Box 665, Cuba, NM 87013  | 7018 3090 0001 5261 6892               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Rena Armijillo, 2114 W Elm Street, Phoenix, AZ 85015  | 7018 3090 0001 5261 6908               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Cora Bonnie, General Delivery, Counselor, NM 87018  | 7018 3090 0001 5261 6915               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Ben Armijillo, P. O. Box 1217, Cuba, NM 87013   | 7018 3090 0001 5261 6922               |
| 5/29/2019        | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Cody Lopez, 1212 S. Monterey #27, Farmington, NM 87401  | 7018 3090 0001 5261 6939               |

|           |  |                    |                         |  |                          |
|-----------|--|--------------------|-------------------------|--|--------------------------|
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Sandra Bloesch, 2114 W. Elm Street, Phoenix, AZ 85015  | 7018 3090 0001 5261 6946 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Wallace Armijillo, Jr., 7102 N. 43rd Ave #307, Glendale, AZ 85301  | 7018 3090 0001 5261 6953 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Harry Vigil, c/o Hand Pawn, P. O. Box 262, Farmington, NM 87499  | 7018 3090 0001 5261 6960 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Corrina Lopez, 1212 S. Monterey #27, Farmington, NM 87401  | 7018 3090 0001 5261 6977 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Jeanne Lopez, 126 E. Main Street, Farmington, NM 87401   | 7018 3090 0001 5261 6984 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Darlene Amarijillo, P. O. Box 239, Counselor, NM 87018   | 7018 3090 0001 5261 6991 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Leo Vigil, Box 86, Nageezi, NM 87037   | 7018 3090 0001 5261 7004 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Stella Vigil, 126 E. Main Street, Farmington, NM 87401   | 7018 3090 0001 5261 7011 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Donald Vigil, 126 E Main Street, Farmington, NM 887401   | 7018 3090 0001 5261 7028 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Arnold Vigil, General Delivery, Counselor, NM 87018  | 7018 3090 0001 5261 7035 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Jerry Vigil, Box 5752, Farmington, NM 87499  | 7018 3090 0001 5261 7042 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Estate of Margaret Armijo Sandoval, c/o William Blanchard,<br>Federal Indian Minerals Office, 6251 College Blvd, Suite B, Farmington, NM 87402 | 7014 0510 0002 2642 9108 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Pintado Oil & Gas, 100 Waugh Street, Suite 400, Houston, TX 77007  | 7014 0510 0002 2642 9115 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Bertha Toledo Rico, P. O. Box 1226, Cuba, NM 87013   | 7014 0510 0002 2642 9122 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Sue Martinez, Box 77, Counselor, NM 87018  | 7014 0510 0002 2642 9139 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Grace Martinez, P. O. Box 81, Nageezi, NM 87037  | 7014 0510 0002 2642 9146 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Robert Murphy, P. O. Box 374, Nageezi, NM 87037  | 7014 0510 0002 2642 9153 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Alice Smith, 200 S. 1st Street, #13, Bloomfield, NM 87413  | 70140510 0002 2642 9160  |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Gilbert Murphy, P. O. Box 965, Bloomfield, NM 87413  | 7014 0510 0002 2642 9184 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Louis Murphy, P. O. Box 52, Nageezi, NM 87037  | 7014 0510 0002 2642 9191 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | James Murphy, P. O. Box 247, Nageezi, NM 87037   | 7014 0510 0002 2642 9207 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Louis Martinez, P. O. Box 22, Nageezi, NM 87037  | 7014 0510 0002 2642 9214 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Chapah Pinto, General Delivery, Counselor, NM 87018  | 7014 0510 0002 2642 9221 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Margaret Rico Sam, Box 1087, Cuba, NM 87013  | 7014 0510 0002 2642 9238 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Albert Rico, Box 1386, Cuba, NM 87013  | 7014 0510 0002 2642 9245 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Yazzie Thomas, P. O. Box 6, Counselor, NM 87018  | 7014 0510 0002 2642 9252 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Paul Tso, Box 48, Nageezi, NM 87037  | 7014 0510 0002 2642 9269 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Esther Tomas, box 76, Counselor, NM 87018  | 7014 0510 0002 2642 9276 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Pete Herrera, Box 214, Counselor, NM 87108   | 7014 0510 0002 2642 9283 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Pauline Harrison, Box 73, Counselor, NM 87018  | 7014 0510 0002 2642 9290 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Jimmy Herrera, Box 4, Counselor, NM 87018  | 7014 0510 0002 2642 9306 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Bobby Herrera, Sr., Box 2, Counselor, NM 87018   | 7014 0510 0002 2642 9313 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Tom Jim Jr., P. O. Box 792, Cuba, NM 87013   | 7014 0510 0002 2642 9320 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Betty Jim Willetto, P. O. Box 820 Cuba, NM 878013  | 7014 0510 0002 2642 9337 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Mae Jim Chatto, P. O. Box 1626, Kirtland, NM 87417   | 7014 0510 0002 2642 9344 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Lottie Jim Sandoval, Box 545, Cuba, NM 87013   | 7014 0510 00022642 9351  |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Rosita Jean Jim, 34 Road 5457, Farmington, NM 87401  | 7014 0510 0002 2642 9368 |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Marie H. Norberto, P. O. Box 69, Nageezi, NM 87037   | 7014 0510 0002 2642 9375 |

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| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Linda Iris Pierce, P. O. Box 384, Nageezi, NM 87037  | 7014 0510 0002 2642 9382                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Bessie Bowman, P. O. Box 1694, Bloomfield, NM 87413  | 7014 0510 0002 2642 9399                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Jimmy Sala, General Delivery, Counselor, N M 87018   | 7014 0510 0002 2642 9405                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Elouise Pierce Atencio, P. O. Box 371, Nageezi, NM 87037   | 7014 0510 0002 2642 9412                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Ambrose Pierce, 7 CR 6248, Kirtland, NM 87417  | 7018 3090 0001 5261 7233                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Geneva Augustine, General Delivery, Counselor, NM 87018  | 7014 0510 0002 2642 9429                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | James Sala, 228 S. 1st Street, Sp #1, Bloomfield, NM 87413   | 7014 0510 0002 2642 9436                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Eloise Chiquito, P. O. Box 78, Counselor, NM 87018   | 7014 0510 0002 2642 9443                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Manual Sala, General Delivery, Counselor, NM 87018   | 7014 0510 0002 2642 9450                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Felicita Sala, HCR 79, Box 1501, Cuba, NM 87013  | 7014 0510 0002 2642 9467                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Eva Sala, HCR 79, Box 1562, Cuba, NM 87013   | 7014 0510 0002 2642 9474                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Geno Beyale, 126 East Main Street, Farmington, NM 87401  | 7014 0510 0002 2642 9481                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Herbert Sala, General Delivery, Counselor, NM 87018  | 7014 0510 0002 2642 9498                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Estates of Helen D. Harrison, Willie Delgarita, Mary Vigil, Jim Pierce Jr.,<br>c/o Christina Ashley, Federal Indian Minerals, 6251 College Blvd, Suite B,<br>Farmington, NM 87402  | 7014 0510 0002 2642 9504<br>/////////<br>///////// |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Julian Toley Martinez, General Delivery, Counselor, NM 87018   | 7014 0510 0002 2642 9511                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Sadie Martinez, P. O. Box 820, Counselor, NM 87018   | 7014 0510 0002 2642 9528                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Jessie M. Sam, P. O. Box 212, Counselor, NM 87018  | 7014 0510 0002 2642 9566                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Nancy Castillo, P. O. Box 1626, Kirtland, NM 87417   | 7014 0510 0002 2642 9559                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Dennis Augustine, General Delivery, Counselor, NM 87018  | 7014 0510 0002 2642 9542                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Bessie Pinto, Box 46, Counselor, NM 87018  | 7014 0510 0002 2642 9535                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Peter Sala, 2803 Lapuente Street, Farmington, NM 878401  | 7014 0510 0002 2642 9573                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Saraphina Smith, P. O. Box 238, Counselor, NM 87018  | 7014 0510 0002 2642 9580                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Louphina Smith, P. O. Box 238, Counselor, NM 87018   | 7014 0510 0002 2642 9597                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Estates of Helen D. Harrison, Willie Delgarita, Mary Vigil, Jim Pierce Jr.   | 7018 3090 0001 5261 7240                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Louise Wellito, Mae B. Jones, Mary Martinez Sam, Harold Kee Tso, Kenneth Tso,<br>Mae H. Charley, ames Tso, Billson Smith, Louise Smith, Clarence Tso, Willis Sala, J Calvin Sala,<br>c/o Christina Ashley, Federal Indian Minerals, 6251 College Blvd, Suite B, Farmington, NM 87402 | /////////<br>/////////<br>/////////                |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Seel Development Co, LLC, P. O. Box 2043, Austin, TX 78768   | 7014 0510 0002 2642 9603                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Steven W. Weller, 415 Bayou Cove Court, Houston, TX 77042  | 7014 0510 0002 2642 9610                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Scott C. Denison, 415 Barkers Landing Rd 14, Houston, TX 77079   | 7014 0510 0002 2642 9627                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Richard D. Dolecek, 330 Conifer Drive, Evergreen, CO 80439   | 7014 0510 0002 2642 9627                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Douglas J. Kim, 3640 SW Warren Ave, Denver, CO 80210   | 7014 0510 0002 2642 9641                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | State of New Mexico, Commissioner of Public Lands, P. O. Box 2308, Santa Fe, NM 87499  | 7018 3090 0001 5261 7257                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | William R. Schoen, 5110 San Felipe #84-W, Houston, TX 77056  | 7014 0510 0002 2642 9672                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Comstock Oil & Gas Inc., 5300 Town & Country Blvd, Suite 500, Frisco, TX 75034   | 7018 3090 0001 5261 6793                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Sam Herrera, P. O. Box 382, Bloomfield, NM 87413   | 7018 3090 0001 5261 6779                           |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Gladys Herrera, P. O. Box 1265, Cuba, NM 87013   | 7018 3090 0001 5261 6762                           |

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| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Estate of Samuel Lewis Herrera, c/o James Stockbridge, Federal Indian Minerals Office,<br>6251 College Blvd, Suite B, Farmington, NM 87402 | 7018 3090 0001 5261 6786<br>////////// |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Sandra Herrera, P. O. Box 518, Cuba, NM 87013  | 7018 3090 0001 5261 6731               |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Sarah Herrera, 2509 Clarita Way SW, Albuquerque, NM 87121  | 7018 3090 0001 5261 6748               |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Woddy Herrera, P. O. Box 67, Counselor, NM 87018   | 7018 3090 0001 5261 6755               |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | Herbert Largo, 1609 Wheeler Ave., SE, Albuquerque, NM 87106  | 7018 3090 0001 5261 6809               |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | State of New Mexico, Oil Conservation Division, 1000 Rio Brazos Road, Aztec, NM 87410  | 7018 3090 0001 5261 7226               |
| 5/29/2019 | Notice & Request for Surface Commingle | CTB #587 Amendment | Sent Certified Mail to: | NM Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505   | 7018 3090 0001 5261 7271               |



# Nika Energy Operating

May 14, 2019

State of New Mexico  
 Commissioner of Public Lands  
 P. O. Box 2308  
 Santa Fe, NM 87499

RE: Proposed Additions to Off-Lease Gas Measurement &  
 Commingling of Sales through  
 SG Interests I, Ltd El Pintado CDP Gas Gathering System  
 Sec 10-T20N-R6W  
 Sandoval County, NM

Dear Mr. Kirm,

During the last ten years, SG Interests I, Ltd (100 Waugh Drive, Suite 400, Houston, TX 77007) submitted and received approval for Off-Lease Measurement and Commingling of Sales through the El Pintado Compressor Site (aka CDP: Central Delivery Point) Gas Gathering System for gas wells drilled in Townships 20N and 21N, Ranges 6W and 7W, McKinley and Sandoval Counties, New Mexico. Those wells are located within the following leases in which some of you may own some interest in the production being commingled (including royalty and overriding royalty interests):

Federal NM99731  
 Federal NMNM99732  
 Federal NMNM99733  
 Federal NMNM53926  
 Federal NMNM24964  
 State Lease VA 2284  
 State Lease VA 3112  
 State Lease VA 2322  
 State Lease VA 2344  
 Federal NMNM99739  
 Federal NMNM113429

SG is currently requesting approval from the New Mexico Conservation Division to add 4 Fruitland Coal wells to the El Pintado Gathering System. The additional wells have been drilled in Townships 20N, R6W, McKinley County, New Mexico and 21N Ranges 6W and 7W in Sandoval Counties, New Mexico; they are located within the following leases:

Proposed Additions to Off-Lease Gas  
Measurement & Commingling of Sales  
May 14, 2019  
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|                |                |
|----------------|----------------|
| NO-G-0108-1496 | NO-G-1001-1765 |
| NO-G-0108-1497 | NO-G-1001-1766 |
| NO-G-0103-1456 | NO-G-1001-1767 |
| NO-G-0103-1459 | NO-G-1001-1768 |

The wells drilled on the subject leases are minimal producers at present (until they have been "de-watered"); it is necessary for the off-lease measurement and commingling of gas through the compressor to produce the wells, as these wells do not have enough pressure or make enough gas to power individual wellsite compression.

The four wells to be added are on Navajo Allotted Land and the off-lease application has been made to the Bureau of Land Management. Any allottees with questions need to contact the FIMO office located in Farmington.

The New Mexico Conservation Division requires that all Revenue Interest Owners be notified by certified mail, return receipt requested, of SG Interests' intentions. Each Interest Owner has 20 days to notify the New Mexico Conservation Division (1220 S. St. Francis Drive, Santa Fe, NM 87505) **in writing** if they have any objection to SG's proposed project.

For future additions of wells, leases, and pools to this commingling operation, notice shall only be given to those interest owners in the wells, leases or pools to be added, in accordance with Division Rule 19.15.12.10 C(4)(g) NMAC.

The division may approve SG's application administratively, without hearing, if no Interest Owner has filed an objection within the 20-day period. If any objections are received, the application shall be set by the State Office for a hearing. Please see the enclosed attachments for more detailed information on this project application.

Thank you in advance for your comments.

Sincerely,

NIKA ENERGY OPERATING, LLC  
AGENT FOR SG INTERESTS I, LTD



William (Tripp) Schwab  
President

cc: SG Interests – Houston, TX  
NMOCD – Aztec, NM  
NMOCD – Santa Fe, NM



**S.G. Interests I, Ltd.**  
**Pintado Well Commingling List**

| WELLNAME           | LEASE #        | SURFACE COMMINGLING ORDER # |
|--------------------|----------------|-----------------------------|
| Federal 20-6-3 #3  | NMNM53926      | #CTB-587 of 1/28/2008       |
| Federal 20-6-4 #4  | NMNM53926      | #CTB-587 of 1/28/2008       |
| Federal 20-6-10 #1 | NMNM24964      | #CTB-587 of 1/28/2008       |
| Federal 21-6-19 #3 | NMNM99731      | #CTB-587-B of 1/20/2010     |
| Federal 21-6-19 #4 | NMNM99731      | #CTB-587-B of 1/20/2010     |
| Federal 21-6-28 #3 | NMNM113429     | #CTB-587-A of 6/11/2009     |
| Federal 21-6-29 #1 | NMNM99732      | #CTB-587-A of 6/11/2009     |
| Federal 21-6-29 #2 | NMNM99732      | #CTB-587-A of 6/11/2009     |
| Federal 21-6-29 #3 | NMNM99732      | #CTB-587 of 1/28/2008       |
| Federal 21-6-29 #4 | NMNM99732      | #CTB-587 of 1/28/2008       |
| Federal 21-6-30 #1 | NMNM99732      | #CTB-587-A of 6/11/2009     |
| Federal 21-6-30 #2 | NMNM99732      | #CTB-587-A of 6/11/2009     |
| Federal 21-6-30 #3 | NMNM99732      | #CTB-587 of 1/28/2008       |
| Federal 21-6-30 #4 | NMNM99732      | #CTB-587 of 1/28/2008       |
| Federal 21-6-31 #1 | NMNM99732      | #CTB-587 of 1/28/2008       |
| Federal 21-6-32 #1 | NMNM99732      | #CTB-587-C of 10/25/2011    |
| Federal 21-6-32 #2 | NMNM99732      | #CTB-587 of 1/28/2008       |
| Federal 21-6-32 #3 | NMNM99732      | #CTB-587 of 1/28/2008       |
| Federal 21-6-34 #1 | NMNM99733      | #CTB-587 of 1/28/2008       |
| Federal 21-6-34 #2 | NMNM99733      | #CTB-587 of 1/28/2008       |
| Federal 21-6-34 #3 | NMNM99733      | #CTB-587 of 1/28/2008       |
| Federal 21-6-34 #4 | NMNM99733      | #CTB-587 of 1/28/2008       |
| Federal 21-7-19 #3 | NMNM99737      | #CTB-587-B of 1/20/2010     |
| Federal 21-7-25 #2 | NMNM99739      | #CTB-587-C of 10/25/2011    |
| Federal 21-7-25 #3 | NMNM99739      | #CTB-587-A of 6/11/2009     |
| Federal 21-7-26 #1 | NMNM99739      | #CTB-587-A of 6/11/2009     |
| Federal 21-7-26 #2 | NMNM99739      | #CTB-587-C of 10/25/2011    |
| Federal 21-7-27 #1 | NMNM99739      | #CTB-587-C of 10/25/2011    |
| Federal 21-7-35 #1 | NMNM99739      | #CTB-587-A of 6/11/2009     |
| Pot Mesa #4        | NMNM24964      | #CTB-587 of 1/28/2008       |
| State 20-6-16 #1   | STATE VA 2344  | #CTB-587 of 1/28/2008       |
| State 20-6-16 #2   | STATE VA 2322  | #CTB-587 of 1/28/2008       |
| Navajo 20-6-6 #1   | NOG-0103-1459  | in application              |
| Navajo 21-6-20 #4  | NOG-0108-1496  | in application              |
| Navajo 21-7-24 #4  | NO-G-1001-1766 | in application              |
| Navajo 21-7-25 #4  | NO-G-1001-1767 | in application              |
|                    | NO-G-1001-1768 |                             |

## McMillan, Michael, EMNRD

---

**From:** Tripp Schwab <tripp@nikaenergy.com>  
**Sent:** Monday, July 22, 2019 11:29 AM  
**To:** McMillan, Michael, EMNRD  
**Cc:** Jo Becksted; Tripp Schwab  
**Subject:** [EXT] FW: Surface Commingle Affidavits of Publication, 2nd run  
**Attachments:** Affidavit of Publication of Albuquerque Journal, Round 2.pdf; Affidavit of Publication of Farmington Daily Times, Round 2.pdf; Affidavit of Publication of The Independent, 2nd run.pdf

Michael,  
Attached are the Proofs listing every Allottee where the official certified notification letter was returned to us, as required by the NMOCD.

No allotted or other revenue interests owners payments, in the subject wells, are in suspense.

Allottee's rights are additionally protected under FIMO guidance. FIMO was involved and signed off on the addition of these wells to the surface commingling order. The BLM approved these additions 6/12/2019.

If you have any further questions or concerns, please call.

Thank you,

*Tripp Schwab*

Nika Energy/Agent for SG Interests, Ltd.  
Box 2677  
Durango, CO 81302  
Off 970-259-2701

# AFFIDAVIT OF PUBLICATION

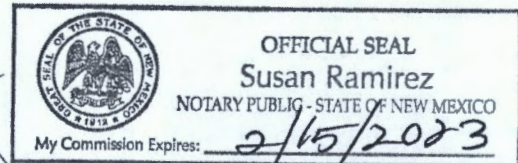
## STATE OF NEW MEXICO

County of Bernalillo SS

ONBEHALFOFSGINTE  
RESTSILTD100WAUG  
HDRIVESUITE400HOU  
STONTX77007NIKAEN  
ERGYOPERATINGLLC  
POBOX2677DURANG  
OCO81302ISPROPOSI  
NGTOA

Elise Rodriguez, the undersigned, on oath states that she is an authorized Representative of The Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which hereto attached, was published in said paper in the regular daily edition, for 3 time(s) on the following date(s):

06/29/2019, 07/06/2019, 07/13/2019



Sworn and subscribed before me, a Notary Public, in and for the County of Bernalillo and State of New Mexico this  
15 day of July of 2019

PRICE \$526.48

Statement to come at the end of month.

ACCOUNT NUMBER 1030659

On behalf of SG Interests I, Ltd. (100 Waugh Drive, Suite 400, Houston, TX 77007), Nika Energy Operating, LLC (PO Box 2677, Durango, CO 81302) is proposing to add four (4) Fruitland Coal wells to Off-Lease Gas Measurement & Commingling of Sales through SG Interests I, Ltd El Pintado CDP Gas Gathering System (Central Delivery Point - Sec 10-T20N-R6W, Sandoval County, NM).

SG Interests I, Ltd received approval from BLM and State of New Mexico OCD in 2008 for Off-Lease Measurement through the El Pintado CDP Gas Gathering System for gas wells drilled in Townships 20N and 21N, Range 6W, McKinley and Sandoval Counties, NM (Order CTB-587), 2009 for gas wells drilled in Township 21N, Ranges 6W and 7W, Sandoval County, NM (Order CTB-587-A), 2010 for gas wells drilled in Township 20N, Range 5W, McKinley County, NM and in Township 21N, Ranges 6W and 7W in Sandoval County, NM (Order CTB-587-B), and 2011 for gas wells drilled in Township 21N, Ranges 6W and 7W, Sandoval County, NM (Order CTB-587-C). The current request for approval includes four (4) Fruitland Coal wells drilled in Township 21N, Ranges 6W and 7W, Sandoval County, NM and T20N, Range 6W in McKinley County, NM located in the following leases:

NO-G-0108-1496  
NO-G-0108-1497  
NO-G-0103-1456  
NO-G-0103-1459

The New Mexico Oil Conservation Division requires that all Revenue Interest Owners be notified, and Interest Owners have 20 days to notify the New Mexico Conservation Division, 1220 S. St. Francis Drive, Santa Fe, NM 87505 in writing if they have any objection to this proposed project. Refer to Order CTB-587.

For future additions of wells, leases, and pools to this commingling operation, notice shall only be given to those interest owners in the wells, leases or pools to be added, in accordance with Division Rule 19.15.12.10 C(4)(g) NMAC. The Division may approve SG's application administratively, without hearing, if no interest Owner has filed an objection within the 20-day period. If any objections are received, the application shall be set by the State Office for a hearing.

Following are the allottees/interest owners that have not previously responded:

|                       |                       |                        |
|-----------------------|-----------------------|------------------------|
| Arox (Texas), Inc.    | Rena Armijillo        | Wallace Armijillo, Jr. |
| Bestwest Investments  | Sandra Blosch         | Cora Bonnie            |
| Bessie Bowman         | Geno Beyale           | Nancy Castillo         |
| Mae Jim Chatto        | Helen Chee            | Eloise Chiquito        |
| Daniel Clark          | John T. Cook          | Douglas A. Denton      |
| Discovery Exploration | Ward K. & Jan Haas    | Bobby Herrera, Sr.     |
| Lois Herrera          | Pete Herrera          | Sam Herrera            |
| Sandra Herrera        | Sarah Herrera         | Woody Herrera          |
| Juanita Jim           | Tom Jim Jr.           | Douglas J. Kim         |
| Jeanne Lopez          | Julian Toley Martinez | Sadie Martinez         |
| Ambrose Pierce        | Bessie Pinto          | Probe Resources, Inc.  |
| Albert Rico           | Rockhill Investments  | James Sala             |
| Jessie M. Sam         | Alice Smith           | Louphina Smith         |
| Sarahphine Smith      | Kerry Stein           | Tenkay Resources       |
| Donald Vigil          | Harry Vigil           | Jerry Vigil            |
| Stella Vigil          | Steven Weller         |                        |

If you are one of the above allottees or a descendant thereof, please contact FIMO (Federal Indian Minerals Office) at 6251 College Blvd, Suite B, Farmington, NM 87402; (505) 564-7640 or (800) 238-2839. If you are not an allottee but you are an interest owner in the one of the above leases, please contact the State of New Mexico.

Journal: June 29, July 6, 13, 2019

# THE DAILY TIMES

## AFFIDAVIT OF PUBLICATION

Ad No.  
0001289842

NIKA ENERGY OPERATING, LLC  
PO BOX 2677

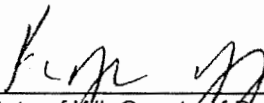
DURANGO CO 81302

I, being duly sworn say: THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the State of New Mexico for publication and appeared in the internet at The Daily Times web site on the following days(s):

06/29/19, 07/02/19, 07/05/19

  
\_\_\_\_\_  
Legal Clerk

Subscribed and sworn before me this  
5th of July 2019.

  
\_\_\_\_\_  
State of NM, County of Brown  
NOTARY PUBLIC

  
\_\_\_\_\_  
My Commission Expires  


Ad#: 0001289842  
P O :  
# of Affidavits : 0.00

On behalf of SG Interests I, Ltd. (100 Waugh Drive, TX 77007), Nika Energy Operating, LLC (PO Box 81302) is proposing to add four (4) Fruitland Coal Measurement & Commingling of Sales through S Pintado CDP Gas Gathering System (Central Deliv T20N-R6W, Sandoval County, NM).

SG Interests I, Ltd received approval from BLM and OCD in 2008 for Off-Lease Measurement through Gas Gathering System for gas wells drilled in Town Range 6W, McKinley and Sandoval Counties, NM (Order for gas wells drilled in Township 21N, Ranges 6W 20N, Range 5W, McKinley County, NM and in Towns and 7W in Sandoval County, NM (Order CTB-587-E wells drilled in Township 21N, Ranges 6W and 7W, S (Order CTB-587-C). The current request for approval Fruitland Coal wells drilled in Township 21N, Range Sandoval County, NM and T20N, Range 6W in McKinley County, NM is as follows:

NO-G-0108-1496  
NO-G-0108-1497  
NO-G-0103-1456  
NO-G-0103-1459

The New Mexico Oil Conservation Division requires Interest Owners be notified, and Interest Owners have the New Mexico Conservation Division, 1220 S. St. Fe, NM 87505 in writing if they have any objection to the request. Refer to Order CTB-587.

For future additions of wells, leases, and pools to this action, notice shall only be given to those interest owners who have leases or pools to be added, in accordance with Division 10-2-1 C(4)(g) NMAC. The Division may approve SG's application, without hearing, if no Interest Owner has filed an objection within the 20-day period. If any objections are received, they will be set by the State Office for a hearing.

Following are the allottees/interest owners that have responded:

Arox (Texas), Inc.  
Bestwest Investments  
Bessie Bowman  
Mae Jim Chatto  
Daniel Clark  
Discovery Exploration  
Lois Herrera  
Sandra Herrera  
Juanita Jim  
Jeanne Lopez  
Ambrose Pierce  
Albert Rico  
Jessie M. Sam  
Saraphine Smith  
Donald Vigil  
Stella Vigil

Rena Armijillo  
Sandra Bloesch  
Geno Beyale  
Helen Chee  
John T. Cook  
Ward K. & Jan Haas  
Pete Herrera  
Sarah Herrera  
Tom Jim Jr.  
Julian Toley Martinez  
Bessie Pinto  
Rockhill Investments  
Alice Smith  
Kerry Stein  
Harry Vigil  
Steven Weller

If you are one of the above allottees or a descendant, please contact FIMO (Federal Indian Minerals Office) at 625 B, Farmington, NM 87402; (505) 564-7640 or (800) 547-5464. If you are not an allottee but you are an interest owner in the leases, please contact the State of New Mexico.

Legal No. 1289842 published in The Daily Times on 07/05/19.

On behalf of SG Interests I, Ltd. (100 Waugh Drive, Suite 400, Houston, TX 77007), Nika Energy Operating, LLC (PO Box 2677, Durango, CO 81302) is proposing to add four (4) Fruitland Coal wells to Off-Lease Gas Measurement & Commingling of Sales through SG Interests I, Ltd El Pintado CDP Gas Gathering System (Central Delivery Point - Sec 10-T20N-R6W, Sandoval County, NM).

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NO-G-0108-1496

NO-G-0108-1497

NO-G-0103-1456

NO-G-0103-1459

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For future additions of wells, leases, and pools to this commingling operation, notice shall only be given to those interest owners in the wells, leases or pools to be added, in accordance with Division Rule 19.15.12.10 C(4)(g) NMAC. The Division may approve SG's application administratively, without hearing, if no Interest Owner has filed an objection within the 20-day period. If any objections are received, the application shall be set by the State Office for a hearing.

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| Daniel Clark          | John T. Cook          | Douglas A. Denton      |
| Discovery Exploration | Ward K. & Jan Haas    | Bobby Herrera, Sr.     |
| Lois Herrera          | Pete Herrera          | Sam Herrera            |
| Sandra Herrera        | Sarah Herrera         | Woody Herrera          |
| Juanita Jim           | Tom Jim Jr.           | Douglas J. Kirn        |
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| Ambrose Pierce        | Bessie Pinto          | Probe Resources, Inc.  |
| Albert Rico           | Rockhill Investments  | James Sala             |
| Jessie M. Sam         | Alice Smith           | Louphina Smith         |
| Saraphine Smith       | Kerry Stein           | Tenkay Resources       |
| Donald Vigil          | Harry Vigil           | Jerry Vigil            |
| Stella Vigil          | Steven Weller         |                        |

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Legal No. 1289842 published in The Daily Times on June 29; July 2 & 5, 2019.



## Affidavit of Publication

STATE OF NEW MEXICO

) SS

COUNTY OF MCKINLEY

Amelda Besselente being duly sworn upon oath, deposes and says:

As LEGAL CLERK of The Independent, a newspaper published in and having a general circulation in McKinley County, New Mexico and in the City of Gallup, New Mexico and having a general circulation in Cibola County, New Mexico and in the City of Grants, New Mexico and having a general circulation in Apache County, Arizona and in the City of St. Johns and in the City of Window Rock, Arizona therein: that this affiant makes the affidavit based upon personal knowledge of the facts herein sworn to. That the publication, a copy of which is hereto attached was published in said newspaper during the period time of publication and said notice was published in the newspaper proper, and not in a supplement thereof, for Three Times, the first publication being on the 29<sup>th</sup> day of June, 2019, the second publication being on the 2<sup>nd</sup> day of July, 2019, the third publication being on the \_\_\_\_\_ day of \_\_\_\_\_, 2019,

and the last publication being on the 5<sup>th</sup> day of July, 2019. That such newspaper, in which such notice or advertisement was published, is now and has been at all times material hereto, duly qualified for such purpose, and to publish legal notices and advertisements within the meaning of Chapter 12, of the statutes of the State of New Mexico, 1941 compilation,

Amelda Besselente  
Affiant.

Sworn and Subscribed to before me this 8<sup>th</sup> day of July, A.D., 2019.

Becky Page  
Notary Public

My commission expires:  
August 29<sup>th</sup>, 2021

### LEGAL NOTICE Gallup - McKinley County New Mexico

On behalf of SG Interests I, Ltd. (100 Waugh Drive, Suite 400, Houston, TX 77007), Nika Energy Operating, LLC (PO Box 2677, Durango, CO 81302) is proposing to add four (4) Fruitland Coal wells to Off-Lease Gas Measurement & Commingling of Sales through SG Interests I, Ltd. El Pintado CDP Gas Gathering System (Central Delivery Point - Sec 10-T20N-R6W, Sandoval County, NM):

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The New Mexico Oil Conservation Division requires that all Revenue Interest Owners be notified, and Interest Owners have 20 days to notify the New Mexico Conservation Division, 1220 S. St. Francis Drive, Santa Fe, NM 87505 in writing if they have any objection to this proposed project. Refer to Order CTB-587.

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| Daniel Clark/John T. Cook | Douglas A. Denton     |                        |
| Discovery Exploration     | Ward K. & Jan Haas    | Bobby Herrera, Sr.     |
| Lois Herrera/Pete Herrera | Sam Herrera           |                        |
| Sandra Herrera            | Sarah Herrera         | Woody Herrera          |
| Juanita Jim               | Tom Jim Jr.           | Douglas J. Kim         |
| Jeanne Lopez              | Julian Toley Martinez | Sadie Martinez         |
| Ambrose Pierce            | Bessie Pinto          | Probe Resources, Inc.  |
| Albert Rico               | Rockhill Investments  | James Sala             |
| Jessie M. Sam             | Alice Smith           | Louphina Smith         |
| Sarahine Smith            | Kerry Stein           | Tenkay Resources       |
| Donald Vigil              | Harry Vigil           | Jerry Vigil            |
| Stella Vigil              | Steven Weller         |                        |

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Legal # 18729 Published in The Independent June 29, 2019, July 2 & 5, 2019.



# New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary-Designate

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

**Jami Bailey**  
Division Director  
Oil Conservation Division



## Surface Commingling Order CTB-587-C

October 25, 2011

SG Interests I Ltd.  
C/o NIKA Energy Operating, LLC  
PO Box 2677  
Durango, CO 81303

Attention: William Schwab:

By Surface Commingling Order **No.CTB-587**, the Division authorized SG Interests I Ltd. (OGRID 20572) to surface commingle gas production from the Basin-Fruitland Coal Gas Pool (71629) within the following-described area (hereinafter referred to as the El Pintado CDP Gas Gathering System Area), Sandoval and McKinley Counties, New Mexico:

### El Pintado CDP Gas Gathering System Area

#### Township 21 North, Range 6 West, NMPM

Section 29: S/2

Section 30: All

Section 31: N/2

Section 32: W/2

Section 34: All

Section 36: W/2

#### Township 20 North, Range 6 West, NMPM

Section 2: S/2

Section 3: S/2

Section 10: N/2

Section 16: All



This area contains all or portions of Federal Leases No. NM-99732, NM-99733, and NM-24964, State Leases No. VA2322, VA2344, and VA2284, and currently consists of eighteen (18) wells that are completed in the Basin-Fruitland Coal Gas Pool.

By surface commingling order No. **CTB-587-A**, SG Interests I Ltd added the following eight (8) wells producing from the Basin Fruitland Coal Gas Pool to the El Pintado CDP Gas Gathering System.

| <b>Well Name and Number</b> | <b>API Number</b> | <b>Location</b>      | <b>Lease Number</b> |
|-----------------------------|-------------------|----------------------|---------------------|
| Federal 21-6-28 Well No. 3  | 30-043-21010      | Sec.28, T-21N, R-6W  | NMNM113429          |
| Federal 21-6-29 Well No. 1  | 30-043-21056      | Sec. 29, T-21N, R-6W | NMNM99732           |
| Federal 21-6-29 Well No. 2  | 30-043-21057      | Sec. 29, T-21N, R-6W | NMNM99732           |
| Federal 21-6-30 Well No. 1  | 30-043-21058      | Sec. 30, T-21N, R-6W | NMNM99732           |
| Federal 21-6-30 Well No. 2  | 30-043-21059      | Sec. 30, T-21N, R-6W | NMNM99732           |
| Federal 21-7-25 Well No. 3  | 30-043-21017      | Sec. 25, T-21N, R-7W | NMNM99739           |
| Federal 21-7-26 Well No. 1  | 30-043-21062      | Sec. 26, T-21N, R-7W | NMNM99739           |
| Federal 21-7-35 Well No. 1  | 30-043-21060      | Sec. 35, T-21N, R-7W | NMNM99739           |

By surface commingling order No. **CTB-587-B**, SG Interests I Ltd added the following three (3) wells producing from the Basin Fruitland Coal Gas Pool to the El Pintado CDP Gas Gathering System.

Federal 20-5-6 Well No. 3 **API No. 30-031-21102**, W/2 of Sect. 6, Lease No. NMNM99718.  
Federal 21-6-19 Well No. 3 **API No. 30-043-21047**, S/2 of Sect. 19, Lease No. NMNM99731  
Federal 21-7-19 Well No. 3 **API No. 30-043-21049**, W/2 of Sect. 19, Lease No. NMNM99737

**All in T-20-N, R-5-W, and T-21-N, R-6, and 7 W, NMPM, Mckinley and Sandoval Counties, New Mexico.**

SG Interests I Ltd now seeks to add the following four (4) wells producing from the Basin Fruitland Coal Gas Pool to the El Pintado CDP Gas Gathering System.

Federal 21-6-32 Well No. 1, **API No. 30-043-21069** E/2 of Sec. 32, Lease No. NMNM99732  
Federal 21-7-25 Well No. 2, **API No. 30-043-21072** W/2 of Sec. 25, Lease No. NMNM99739



Federal 21-7-26 Well No. 2, **API No. 30-043-21068**, N/2 of Sec 26, Lease No. NMNM99739  
Federal 21-7-27 Well No. 1, **API No. 30-043-21071**, N/2 of Sec. 27. Lease No. NMNM99739

**All in T-21-N, R-6 and 7 W, Sandoval County, New Mexico**

**IT IS THEREFORE ORDERED THAT:**

The Surface Commingling Order No. CTB-587-B is hereby amended and the applicant, SG Interests I Ltd is hereby authorized to add the above referenced four (4) wells to the El Pintado Gas Gathering System. **This approval is subject to like approvals from BLM and SLO.**

Production shall be allocated by metering the gas production from each of the wells within the El Pintado CDP Gas Gathering System utilizing individual allocation meters. Gas production shall then be commingled and transported to a Public Service of New Mexico (PNM) gas sales meter located within the NW/4 of Section 10, Township 20 North, Range 6 West. Production shall be allocated back to each well utilizing allocation and sales meter volume data, and shall be determined in accordance with the procedure outlined in the application.

All liquids (**oil, condensate and water**) shall be separated, stored, measured and sold at each individual well.

All meter calibration shall be in conformance with Division Rule No. 19.15.12.10. NMAC

Additional existing or future drilled wells can be added to the commingling authority granted by this order without additional application or notice to interest owners provided that:

- a) the well(s) are located within the El Pintado CDP Gas Gathering System Area defined by this order;
- b) each new well is equipped with a gas allocation meter; and
- c) the well(s) produce from Basin-Fruitland Coal Gas Pool.

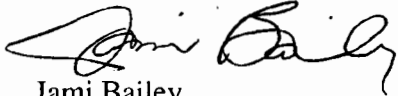
To obtain approval to add wells, SG Interests I Ltd. shall file Form C-103 (Sundry Notice) with the Santa Fe and Aztec Offices of the Division that describe the well(s) to be included. Additional notice may be required to the Bureau of Land Management (BLM) and/or the State Land Office (SLO).

To add additional wells located **OUTSIDE** of the El Pintado CDP Gas Gathering System to the gathering system, SG Interests I Ltd. must apply for an additional order or to amend this order and (per Rule 19.15.12 NMAC) must notify all owners of revenue interests within the existing El Pintado CDP Gas Gathering System as well as all owners of revenue interests in the new wells to be added.

This Order supersedes the Surface Commingling Order No. CTB-587-B issued on January 20, 2010

NOTE: This installation shall be installed and operated in accordance with the applicable rules and regulations of the Division applicable to surface commingling. It is the responsibility of the producer to notify the transporter of this commingling authority.

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



Jami Bailey  
Director

JB/re

cc: Oil Conservation Division – Aztec  
Bureau of Land Management – Farmington  
State Land Office – Oil, Gas, and Minerals Division



**El Pintado Field Project Area**  
**SG Interests, I LTD**

**T20N, R05W; T20N, R06W, T21N, R06W; T21N, R07W,  
T21N, R08W; T22N, R07W, NMPM**  
**San Juan, Sandoval and McKinley Counties, New Mexico**

