

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

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

**David R. Catanach, Division Director**  
Oil Conservation Division



February 11, 2015

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-318-A  
Administrative Application Reference No. pMAM1502050869

**SOVEREIGN EAGLE, LLC**  
Attn: Mr. Scott Hall

Sovereign Eagle, LLC has requested to amend Division Order No. PLC-318 to add the Stoltenberg Well No. 2 (API No. 30-041-20965) to the surface commingling order. The Division has reviewed your application and hereby grants your request.

The Division Order No. PLC-318 is hereby amended, and Sovereign Eagle, LLC (OGRID 263940) is hereby authorized to surface commingle oil and gas production, from the following pools located in Township 2 South, Range 29 East, NMPM, Roosevelt County, New Mexico.

Tule; Penn (Gas)	(86443)
Tule; Montoya (Gas)	(86442)

and from the following diversely owned wells located on federal and fee leases in said Section, Township and Range in Roosevelt County, New Mexico:

Morrison Well No. 1  
API No. 30-041-20846  
750` FNL & 750` FEL  
Unit A, Section 22

Speight Well No. 1  
API No. 30-041-20819  
1400` FSL & 1280` FEL  
Unit I, Section 22

Perry Well No. 1  
API No. 30-041-20828  
990` FSL & 660` FWL  
Unit M, Section 23

Stoltenberg Well No. 2  
API No. 30-041-20965  
1650` FNL & 2260` FWL  
Unit F, Section 26

Wendell Best Well No. 1  
API No. 30-041-20808  
1980` FSL & 2310` FEL  
Unit J, Section 27

J.T. McGee Well No. 1  
API No. 30-041-20813  
990` FNL & 1980` FEL  
Unit B, Section 27

Cook Well No. 1  
API No. 30-041-20823  
330` FNL & 1980` FEL  
Unit B, Section 34

The proposed units in the surface commingling include entire Section 22, S/2 Section 23, N/2 Section 26, entire Section 27, and N/2 Section 34, Township 2 South, Range 29 East, NMPM, Roosevelt County, New Mexico

The commingled oil and gas production shall be measured and sold at the Tule central tank battery (CTB) located in Unit P of Section 28, Township 2 South, Range 29 East, Roosevelt County, New Mexico.

Gas production from each well shall be separately metered before commingling with production from other wells. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Oil production from the wells shall be gauged daily.

The operator shall notify the transporter of this commingling authority.

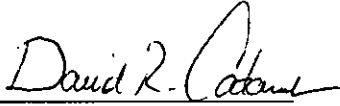
The operator shall notify the Hobbs district office of the Division upon commencement of commingling operations.

This order is subject to like approval from the Bureau of Land Management (BLM).

This order supersedes Order No. PLC-318 issued on November 20, 2008.

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DONE at Santa Fe, New Mexico, on February 11, 2015.

A handwritten signature in black ink, appearing to read "David R. Catanach", written over a horizontal line.

DAVID R. CATANACH  
Director

DC/mam

cc: Oil Conservation Division – Hobbs  
Bureau of Land Management - Roswell