



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

COMMINGLING ORDER PLC-284

Thompson Engineering and Production Corp.
c/o Walsh Engineering
7415 E. Main Street
Farmington, New Mexico 87402

Attention: Mr. Paul C. Thompson

The above-named company is hereby authorized to surface commingle gas production from the Basin-Dakota (Prorated Gas - 71599) and Basin-Fruitland Coal (Gas - 71629) Gas Pools from the following-described three diverse-ownership wells located on Federal and fee leases in San Juan County, New Mexico:

Thomas Well No. 1 (API 30-045-07826)
Unit L, Section 30, Township 29 North, Range 11 West, NMPM
W/2 Dedication---Basin-Dakota Gas Pool

Thomas Well No. 1E (API 30-045-32022)
Unit F, Section 30, Township 29 North, Range 11 West, NMPM
W/2 Dedication---Basin-Dakota Gas Pool

Thomas Well No. 100 (API No. 30-045-33931)
Unit L, Section 30, Township 29 North, Range 11 West, NMPM
W/2 Dedication---Basin-Fruitland Coal Gas Pool

It is our understanding that the interest ownership between the Thomas Well No. 1 and the Thomas Well No. 1E is common, but that the interest ownership between these two wells and the Thomas Well No. 100 is different.

It is also our understanding that the W/2 of Section 30 is comprised of two 40-acre Federal leases (Federal Leases No. NM-019406 and NM020982), and various fee leases.

Each of the subject wells shall be equipped with an allocation meter that will continuously meter production prior to commingling. Gas production from each of the subject wells shall be determined by ratio utilizing allocation meter volumes and sales meter volumes. Compressor fuel usage shall be allocated based upon each well's production. The total production from all wells shall be metered by a Enterprise gas sales meter located in the SE/4 of Section 25, Township 29 North, Range 12 West, NMPM. Liquids shall not be commingled.

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.

Done, at Santa Fe, New Mexico on this 31st day of October, 2006.



MARK E. FESMIRE, P.E.,
Division Director

MEF/drc

cc: Oil Conservation Division – Aztec
Bureau of Land Management-Farmington