

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PC-1100

BP America, Inc. 501 WestLake Park Blvd. Houston, Texas 77079-3092

Attention: Ms. Cherry Hlava

The above-named company is hereby authorized to commingle the following pools and acreage within Section 4, Township 27 North, Range 12 West, NMPM, San Juan County, New Mexico.

Gallegos Canyon Unit No. 178

API No. 30-045-06919

Basin-Fruitland Coal (Gas 71629) Pool

N/2 Dedication

Gallegos Canyon Unit No. 62

API No. 30-045-06920

West Kutz-Pictured Cliffs (Gas 79680) Pool

NW/4 Dedication

Due to diverse revenue interests in these two wells, gas allocation meters shall be installed on both wells prior to the custody transfer meter and used to calculate individual well sales and production. Compressor fuel gas usage shall be allocated according to the calculated well production rates. Water and Oil production shall not be commingled.

REMARKS: The commingled natural gas production shall be delivered to a gas sales meter located on the lease.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

Administrative Order PC-1100 BP America, Inc. October 14, 2003 Page 2 of 2

DONE at Santa Fe, New Mexico, on this 14th day of October 2003.

LORI WROTENBERY,

Division Director

LW/wvjj

cc: Oil Conservation Division - Aztec

Bureau of Land Management - Farmington