

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

Oil Conservation Division

## ADMINISTRATIVE ORDER OLM-21

October 29, 2007

Siana Operating, LLC.

P.O. Box 10303

Midland, Texas 79702

Attention: Ms Bobbi Brice

Newkumet Federal Well No. 1

API No. 30-025-332937

Unit H, Section 10, Township 23 South, Range 34 East, NMPM,  
Lea County, New Mexico

Antelope Ridge Brushy Canyon Gas Pool (96717)

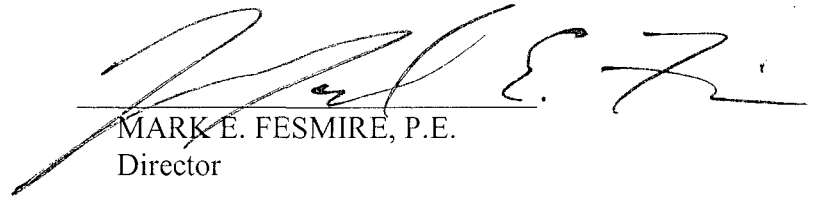
Reference is made to your request received by the Division on October 1, 2007, for an exception to Division Rule 303.A. to permit off-lease measurement of gas production from the Newkumet Federal Well No. 1. It is our understanding that Siana Operating, LLC holds 100% interest in this well; therefore, there is no other interest owner to notify regarding this application except the Bureau of Land Management (BLM).

Siana Operating, LLC. is hereby authorized to utilize a gas sales meter located off-lease at the Brain 8036 JV-P #1 battery located in Unit L, Section 11, Township 23 South, Range 34 East, NMPM, to meter the gas production originating from the Newkumet Federal Well No. 1, located in Unit H of Section 10, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER THAT, all oil production originating from the Newkumet Federal Well No. 1 shall be metered and stored in its own storage facility located on the originating lease and no commingling of production from other sources shall be allowed.

NOTE: The operator shall notify the Hobbs District Office upon implementation of off-lease measurement operations.

DONE at Santa Fe, New Mexico on this 29th day of October, 2007.



MARK E. FESMIRE, P.E.  
Director

MEF/re

Cc: Oil conservation Division – Hobbs  
Bureau of Land Management - Carlsbad