



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

COMMINGLING ORDER PC-996

Bonneville Fuels Corporation
1660 Lincoln, Suite 2200
Denver, Colorado 80264

Attention: R. A. Schwering

Lease: Lake Shore Federal S.C. (Lease No. NM-3606) Well No. 10-2
Description: Section 10, Township 21 South, Range 26 East, NMPM,
Eddy County, New Mexico.

The above-named company is hereby authorized to commingle Burton Flat-Strawn Prorated Gas (73360) and Avalon-Morrow Gas (70920) Pool production in a common tank battery and in a common gas sales line, and to determine the production by metering the Burton Flat-Strawn and allocating to the Avalon-Morrow by subtracting the Burton Flat-Strawn meter from the metered commingled production. All commingled production must be of identical ownership including working interest, royalty interest and overriding royalty interest.

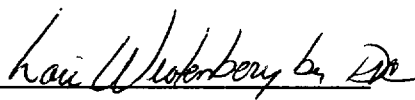
FURTHER: The operator shall notify the Artesia District Office of the Division upon implementation of the commingling process.

REMARKS: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

NOTE: Commingled production shall be stored, compressed, and measured at the Lake Shore Federal S.C. Well No. 10-2 in Lot 7, Section 10, Township 21 North, Range 26 West, NMPM, Eddy County, New Mexico.

PROVIDING: Validation of this authority shall be accomplished by like approval by the State Land Office and the U. S. Bureau of Land Management .

DONE at Santa Fe, New Mexico, on this 28th day of April, 1999.


LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas and Minerals Division
U. S. Bureau of Land Management - Roswell

Figure 1

Production Eqt. Schematic

Wellhead
& Christmas
Tree

Lake Shore Fed. S.C.
10-#2

Sales Line

Sales Line

Stair Landing

Walkway

Stair Landing

Service Line

12" Buried 2 1/2"

18" Buried 2 1/2"

Welded Line

Welded Line

Welded Line

Welded Line

Welded Line

Welded Line

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• - Valves

▲ - Check Valve

— Hammer Unions on Well Line

Stair Flowline
(Green)

(Yellow)
Morrow Flowline

Production
Facility Pad

Buried 4" x 8' Flowline
w/ 1' of Paddling Below & Above 4" Sales
Line

1" Piggy Line

Motor Run

Welded

5'

Welded

1" o.l. line

Anchors

150'

15'

15'

15'

15'

15'

15'

Commonly (Pink)

At A

2" Down
Convent
to O.I.

At B

At C

At D

At E

At F

At G

At H

At I

At J

At K

At L

At M

At N

At O

At P

At Q