

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PC-1008

Cross Timbers Operating Company 2700 Farmington Avenue, Building K, Suite 1 Farmington, New Mexico 87401

Attention: Mr. Darrin L. Steed

Lease:

M.N. Galt Lease (Federal Lease No. SF077384)

Description:

SW/4 of Section 1, Township 27 North, Range 10 West, NMPM, San Juan

County, New Mexico.

The above-named company is hereby authorized to commingle Basin-Fruitland Coal (Gas – 71629), Basin-Dakota (Prorated Gas – 71599) and Fulcher Kutz-Pictured Cliffs (Gas – 77200) Pool production from the above mentioned lease and to determine production from each pool by separately metering the production from the Basin-Fruitland Coal Gas Pool and the Basin-Dakota Gas Pool and determining the Fulcher Kutz-Pictured Cliffs Gas Pool production by the subtraction method. Oil production will not be commingled.

NOTE: 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.

REMARKS: The production shall be delivered to the Williams Field Services meter located in SW/4 of Section 1, Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico.

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

PROVIDING: Like approval by the U. S. Bureau of Land Management is also required.

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DONE at Santa Fe, New Mexico, on this 23rd day of May, 2000.

LORI WROTENBERY,

Division Director

LW/MWA/kv

cc: Oil Conservation Division- Aztec

U.S. Bureau of Land Management - Farmington