



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT


Farmington Field Office  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401

IN REPLY REFER TO:

3162.7-3

December 3, 2003



 Coleman Oil and Gas Company  
Attn.: Bryan Lewis  
P.O. Drawer 3337  
Farmington, New Mexico 87499

Dear Mr. Lewis:

Reference is made to your application for surface commingling and off-lease measurement and sales of gas from the attached list of wells. According to your application, you propose to measure gas production from these wells at the following Central Delivery Point (CDP) location:

**NWNW Section 10, T. 24N., R. 10W., San Juan County, New Mexico on El Paso Natural Gas Meter No. 98-708-01.**

Your application indicates that measurement at a central delivery point (CDP) is necessary to effectively and economically operate these wells and extend the economic life of the properties. We have considered the merits of your application and concur with your findings. As such, you are hereby authorized to measure gas in accordance with the procedures outlined in your application unless otherwise modified by the conditions outlined below. The measurement and sales facility is hereby designated the Juniper Gas Gathering System (JGGS).

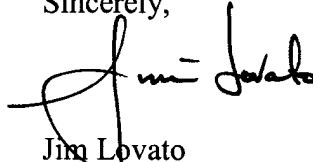
- Liquid hydrocarbons produced at the CDP will be allocated back to each well in proportion to the well's allocated gas production. Fuel used at the CDP must be allocated back to each contributing well in proportion to each well's allocated gas production.
- Allocation must be made on an MMBTU Basis.
- Measurement of gas at the CDP must be conducted in accordance with the requirements outlined in Onshore Order No. 3, Site Security, Onshore Order No. 4, Oil Measurement, and Onshore Order No. 5, Gas Measurement.

- In order to prevent waste and conserve natural gas, periodic review of each well's venting procedures must be conducted in accordance with the requirements outlined in NTL-ADO-93-1.
- No other wells can be added to this system of measurement without the prior approval of this office.
- Contact this office in the event of any lost hydrocarbons between the wells and the central delivery point.

Failure to operate this facility in accordance with the conditions outlined above may subject this approval to revocation. In addition, this office reserves the right to rescind this approval should future evaluation of this method of measurement indicate that royalties would be reduced.

Attached is a list of the wells recognized as contributing to the JGGS. If you have any questions regarding the above, please contact me at (505) 599-6367.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Lovato", written over a horizontal line.

Jim Lovato  
Senior Technical Advisor,  
Petroleum Management Team

Cc:  
NMOCD: Aztec ✓

Attachment 1(List of Contributing wells)

**Juniper Gas Gathering System CDP  
Well List**

<u>Well Name and No.</u>	<u>API No.</u>	<u>Lease #</u>	<u>Formation</u>	<u>Location</u>
Juniper #14-9	3004530636	NM 101058	Basin FC	SWSW 9-24N-10W
Juniper #41-17	3004530635	NM 104606	Basin FC	NENE 17-24N-10W
Juniper #1	3004529593	State	Basin FC	SWSW 16-24N-10W
Juniper #16 # 32	3004530631	State	Basin FC	SWNE 16-24N-10W
Juniper #11-16	3004530481	State	Basin FC	NWNW 16-24N-10W