



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

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COMMINGLING ORDER PC-963

Burlington Resources Oil & Gas Company  
P.O. Box 4289  
Farmington, New Mexico 87499-4289

Attention: Ms. Peggy Bradfield

LEASE NAME: Huerfano Unit Well No.549  
DESCRIPTION: E/2 (Fruitland Coal) and NE/4 (Pictured Cliffs)  
Section 33, Township 27 North, Range 10 West,  
NMPM, San Juan County, New Mexico

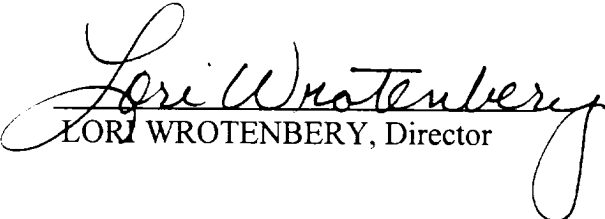
RECEIVED  
APR 21 1998  
OIL CON. DIV.  
DIST. 3

The above-named company is hereby authorized to commingle Basin Fruitland Coal (Gas – 71629) and West Kutz Pictured Cliffs (Gas – 79680) Pool gas production in a common facility and to determine production from each pool by well tests. This method is authorized only so long as all commingled production is of marginal nature; further the operator shall notify the Santa Fe office of the Division in the event any well on the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate. Liquid hydrocarbon production shall not be commingled.

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

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.

DONE at Santa Fe, New Mexico, on this 14th day of April, 1998.

  
LORI WROTENBERY, Director

LW/BES/kv

cc: Oil Conservation Division- Aztec /  
Bureau of Land Management - Farmington



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE  
1000 RIO BRAZOS ROAD  
AZTEC NM 87410  
(505) 334-6178 FAX: (505) 334-6170  
[http://emnr.state.nm.us/ocd/District II/3district.htm](http://emnr.state.nm.us/ocd/District%20II/3district.htm)

GARY E. JOHNSON  
Governor

Jennifer A. Salisbury  
Cabinet Secretary

December 30, 1999

Keith Fine  
Burlington Res O&G Co.  
PO Box 4289  
Farmington NM 87499

Re: Huerfano Unit 549, A-33-27N-10W, API 30-045-28943

Dear Mr. Fine:

The above well is in violation of Rule 112, A.F. c "...Results of such tests shall be filed with the Division within fifteen (15) days after the completion of tests; provided, however, that in the event a segregation test or packer leakage test indicates that there is communication between the separate strata, the operator, shall immediately notify the Division and commence remedial action on the well."

The 1999 Packer Leakage Test on the referenced well indicates communication between the producible zones. This requires immediate notification to the Division. The test was completed on April 21, and was not filed with this office until December 23. In order to comply with Rule #112A, you are hereby directed to initiate remedial activity and retest the well to show separation of the zones prior to February 1, 2000. Notify the Aztec OCD in time to witness the retest.

Feel free to call me at 334-6178, ext. 16, if I can be of any help.

Sincerely,

Charlie T. Perrin  
Deputy O&G Inspector

CP/mk

CC: CTP  
Well File