



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

COMMINGLING ORDER PLC NO. 79

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Robert L. Bayless
P.O. Box 168
Farmington, NM 87499

The above-named company is hereby authorized to commingle Basin Dakota and Harper Hill Fruitland-Pictured Cliffs Pool production from the following leases:

N.M. 25857 Federal Lease, Hoover Well No. 1, Harper Hill Fruitland-Pictured Cliffs Pool. NE/4, Section 21, Township 30 North, Range 14 West, NMPM;

N.M. 15272 Federal Lease, Coolidge Comm Well No. 1, Basin Dakota Pool. N/2 Section 22, Township 30 North, Range 14 West, NMPM;

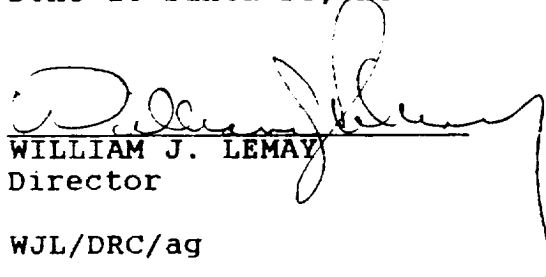
N.M. 20314 Federal Lease, Roosevelt Well No. 1, Basin Dakota Pool, S/2 Section 22, Township 30 North, Range 14 West, NMPM.

All in San Juan County, New Mexico.

Production shall be allocated to each lease by separately metering the gas production from the Hoover Well No. 1 and the Roosevelt Well No. 1 prior to commingling and determining the production from the Coolidge Comm Well No. 1 by subtracting the Hoover Well No. 1 and Roosevelt Well No. 1 production from the total sales volume.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations of 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. It shall further be the responsibility of the producer to provide all necessary production information to the transporter in order that accurate production information is filed by the transporter on Division Form C-111.

Done at Santa Fe, New Mexico, on this 17th day of November, 1988.


WILLIAM J. LEMAY
Director

WJL/DRC/ag

cc: Oil Conservation Division - Hobbs
State Land Office - P. Martinez

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DIST. 3