State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David MartinCabinet Secretary-Designate

Brett F. Woods, Ph.D.Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



December 12, 2013

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER (including provision for OFF LEASE STORAGE AND MEASUREMENT)

Administrative Order PLC-389 Administrative Application Reference No. pPRG1330531972

Administrative Order OLM 84 Administrative Application Reference No. pDKB1334661610

Encana Oil & Gas (USA) Inc.

Attn: Ms. Holly Hill

Pursuant to your application received on October 29, 2013, Encana Oil & Gas (USA) Inc. (OGRID 282327) is hereby authorized to surface commingle **gas production only** from the following pools:

Bisti KowerGallup (Oil) (5890) South Bisti Gallup (5860) Basin Mancos (Gas) (97232)

and from the following diversely owned wells located on federal and State of New Mexico leases in Sandoval and Rio Arriba Counties, New Mexico:

See Exhibit A attached hereto.

Each well produces from only the pool or pools identified on Exhibit A. No downhole commingling is authorized by this order. DOWNHOLE COMMINGLING APPROVAL, WHERE REQUIRED, MUST BE OBTAINED BY SEPARATE APPLICATION.

Each well will be equipped with individual gas meters for allocation purposes. Gas that has passed through the well meters will be commingled in operator's Good Times Trunk No. 1 Gathering System and will be again measured, and sold, at the transfer point to the Olympic Torch pipeline..

The operator shall notify the transporter of this commingling authority.

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The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

This approval is subject to like approval from the United States Bureau of Land Management and the New Mexico State Land Office before commencement of the commingling operations.

No commingling of oil or condensate is authorized. However, where the surface location of any well is not located on any lease from which the well produces, measurement and storage of oil and condensate at the well's surface location is authorized.

Sincerely,

Jami Bailey

Division Director

JB/db

cc: Oil Conservation Division District Office – Aztec

New Mexico State Land Office

United States Bureau of Land Management