P.O. DRAWER 3337 FARMINGTON, NM 87499 PKRV0314335958

T.O.C

**6////03**OFFICE: 505-327-0356
FAX: 505-327-9425



Bryan Lewis e-mail: cogblewis@yahoo.com

RECEIVED

Monday, May 19, 2003

MAY 2 2 2003

OIL CONSERVATION DIVISION

Ms. Lori Wrotenbery New Mexico Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, NM 87505-4000

Mr. Jim Lovato Bureau Of Land Management 1235 La Plata Highway, Suite A Farmington, NM 87401

# RE: Application for Surface Commingling

Dear Ms. Wrotenbery and Mr. Lovato:

This is a request for approval to surface commingle the gas production from the wells listed below:

# Township 26 North, Range 11 West, NMPM

| Ricky #1R     | Section 18 | NWNW | Basin Fruitland Coal | 30-045-31165 |
|---------------|------------|------|----------------------|--------------|
| Ricky Com #2R | Section 18 | NWSW | Basin Fruitland Coal | 30-045-31166 |
| Meg Com #1    | Section 19 | SWNE | Basin Fruitland Coal | 30-045-30999 |
| Meg #2        | Section 19 | NWNW | Basin Fruitland Coal | 30-045-30998 |

San Juan County, New Mexico

1. **Proposed System.** Surface commingling will allow production through only one compressor as opposed to a compressor for each well, thereby allowing the containment of operating costs and prolonging the economic life of the wells. The wells are commingled upstream of a CPD meter (number 95 115 01) to reduce measurement costs. All wells have an allocation meter on location. El Paso will maintain the CPD meter and the applicant, Coleman Oil & Gas, Inc. ("Coleman") will maintain the allocation meters. The gas will flow into the El Paso Natural Gas gathering system, adjacent to the Dugan Federal #7 well in the SWSW of Section 07 – Twp 26 N – Rge 11 W.

# **Application for Surface Commingling**

Monday, May 19, 2003 Page 2

- 2. Location Map. Exhibit 1 is a topographic map showing the locations of the wells subject to this Application for Surface Commingling.
- 3. Well, Locations and Lease Numbers. Exhibits 2A 2D consist of acreage dedication plats for the subject wells. The wells and acreage dedications are tabulated below.

| Ricky #1R     | Section 18 | W/2 | NOO-C-14-20-5390 |
|---------------|------------|-----|------------------|
|               |            |     | NOO-C-14-20-5389 |
| Ricky Com #2R | Section 18 | W/2 | NOO-C-14-20-5389 |
|               |            |     | NOO-C-14-20-5390 |
| Meg Com #1    | Section 19 | N/2 | NO-G-0103-1465   |
|               |            |     | NO-G-0103-1466   |
| Meg #2        | Section 19 | N/2 | NO-G-0103-1466   |
| _             |            |     | NO-G-0103-1465   |

Exhibit 3 is a list of the royalty, overriding royalty and working interest owners in the wells.

- 4. **Schematic Diagram.** Exhibits 5 through 5D are schematic diagrams of the proposed surface commingling facilities.
- 5. Lease Use Gas. Each well has a pumping unit that uses approximately 1.5 MCFD of lease use gas and a separator that uses approximately 0.5 MCFD of lease use gas. One 110 HP compressor serves the system using approximately 24 MFCD of lease use gas which is allocated equally between the wells subject to this Application for Surface Commingling. When and if additional equipment is added to the system lease use gas to operate such equipment will be split equally between producing wells upstream of such equipment.
- 6. **Mechanical Integrity.** The entire system of flow lines will most likely be 4.0" O.D. 0.642" wall thickness PE3408 SDR7 poly pipe with an internal yield of 267 psig. This line and all connections will be pressure tested to 150 psig.

As of the date of this Application the 4.0" poly line runs only between the Meg Com #1 and Ricky Com #2R wells. A 2 - 3/8" steel temporary surface pipeline runs from the Ricky Com #2R well to the El Paso tie in. This temporary surface pipeline has been tested to 150 psig. The temporary surface pipeline will be replaced with poly pipe in the near future. The production on these wells is inclining and the current use of the temporary surface pipeline allows Coleman the opportunity to review and determine the most suitable size of permanent poly pipe to use.

# **Application for Surface Commingling**

Monday, May 19, 2003 Page 3

The maximum shut-in surface wellhead pressure in this area is 110 psig. The average operating pressure of El Paso's lateral 10 D 1 is 70 - 90 psig; the maximum allowable operating pressure (MAOP) is approximately 150 psig.

- 7. **Production Gravity/BTU.** The wells that are the subject of this Application are new drills therefore no production data is currently available. Gas analysis reports are attached as Exhibits 4A 4D. None of the wells produces liquid hydrocarbons.
- 8. Allocation Formula. All wells have an allocation meter on location. The production assigned to each well will be the integrated volume from the CPD meter less the sum of the other allocation meters plus lease use gas. As an example, the CPD meter indicates total production of 3,325 MCF. Other well 1 allocation meter indicates 400 MCF production. Other well 2 allocation meter indicates 350 MCF production. Other well 3 allocation meter indicates 1,200 MCF production. Other well 4 allocation meter indicates 275 MCF production. The sum of these other well allocation meters is 2,225 MCF. CPD meter of 3,325 MCF less the sum of other allocation meters of 2,225 MCF plus lease use gas of 2 MCF is 1,102 MCF, the calculated production of the well in question. When the sum of the allocation meters doesn't equal the CPD meter, the gas production from each well will be calculated according to the volume its allocation meter indicates was produced divided by the sum of all of the allocation meters (percent) multiplied by the CPD meter indicated production plus lease use gas. As an example, the CPD meter indicates an integrated volume of 40,000 MCF gas was produced but the sum of the allocation meters indicate that 39,000 MCF was produced. The allocation meter of the well in question indicates 10,000 MCF of production divided by the sum of the allocation meters (39,000 MCF) equals 25.64% multiplied by the CPD meter volume of 40,000 MCF equals 10,256 MCF plus lease use gas of 60 MCF totals 10,316 MCF, the calculated production of the well in question. Royalties will be paid on the volumes according to applicable MMS and State of New Mexico guidelines.
- 9. Line Purging. It is anticipated that line purging will occur infrequently. Any lost gas due to purging the system will be allocated equally to each of the wells.
- 10. Purged Fluids. Any fluids purged will be natural gas and condensed water vapor.
- 11. **Meter Calibration Schedule.** El Paso will calibrate the CPD meter at least once each quarter, more frequently with higher gas volumes. Coleman will calibrate the allocation meters semi annually.
- 12. Gas Analysis Schedule. El Paso Field Services will analyze the gas from the commingled stream at least twice a year, more frequently with higher gas volumes.
- 13. Effective Date. It is requested that the approval for the Surface Commingling contemplated herein be April 06, 2003, the date the Ricky #1R well was first

# **Application for Surface Commingling**

Monday, May 19, 2003

Page 4

delivered. The system has been operational since March 11, 2003, the date the Ricky Com #2R was first delivered.

Sincerely,

COLEMAN OIL & GAS, INC.

Landman

Attachments:

Exhibit 1

Topographic maps

Exhibit 2A - 2D Exhibit 3 Exhibit 4A - 4D Acreage dedication plats List of owners in leases Gas Analysis reports

Exhibit 5 - 5D

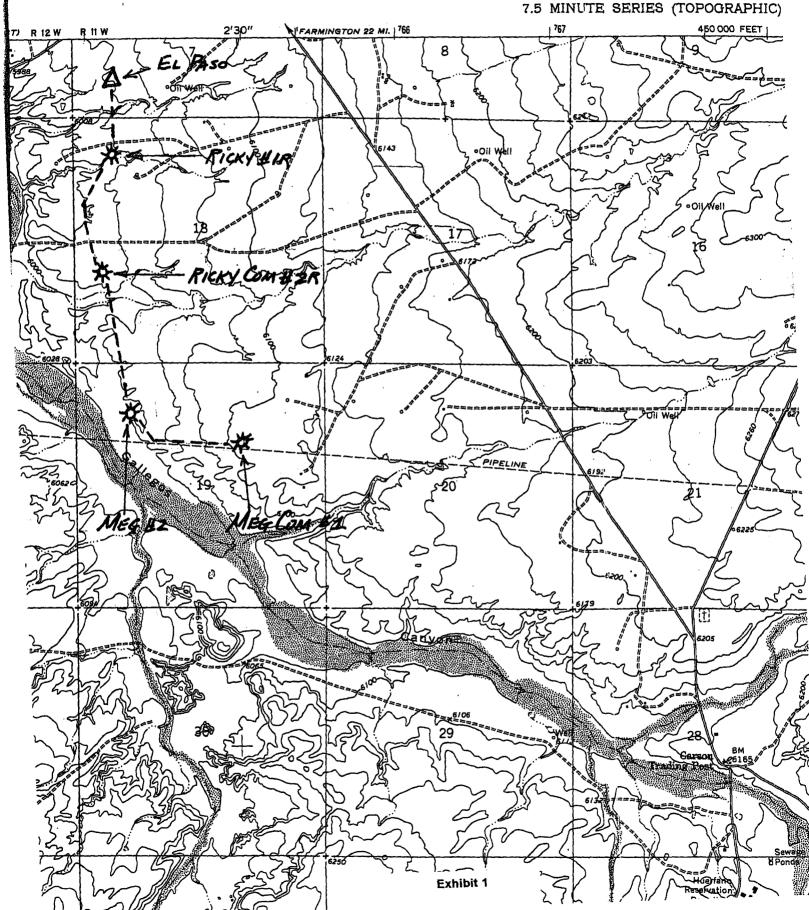
Schematic Diagrams

cc:

Mr. Frank Chavez, Supervisor District 3 New Mexico Oil Conservation Division

1000 Rio Brazos Road Aztec, NM 87410

# CARSON TRADING POST QUADRAN 'NEW MEXICO-SAN JUAN CO. 7.5 MINUTE SERIES (TOPOGRAPHIC)



District I PO Bbx 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

District III . 1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO.Box 2088, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease – 4 Copies
Fee Lease – 3 Copies

AMENDED REPORT

|                   |                  |           |  | WELL              | LOCATI          | ON AND AC  | CREAGE DED                       | ICAT               | ION PL  | .AT  |   |  |
|-------------------|------------------|-----------|--|-------------------|-----------------|--|----------------------------------|--------------------|---|--|---|--|
|                   | 'Α               | PI Number | -  | 1                 | ol Code<br>7310 | GALLEGO  | OS FRUITLAN                      | Pool<br>D SA       |   | TURED  | CLIFF   | S, SOUTH   |
|                   | Property         | Code      |  |                   |                 | *Property<br>RICh  |                                  | <del></del>        |   | ····   | *We   | 11 Number  |
|                   | 'OGRID N<br>4838 |           |  |                   | COL             | *Operator<br>EMAN OIL (  | •                                |                    | <del></del>                                   |  | 1   | levation<br>6034   |
|                   |                  | l         |  |                   |                 | <sup>10</sup> Surface  | Location                         |                    |   |  | <u> </u>  |  |
| UL                | or lat no.       | Section   | Township   | Range             | Lat Idn         | Fest from the  | North/South line                 | Fee                | t from the                                    | East/W   | est line  | County   |
|                   | D                | 18        | 26N  | 11W               |                 | 765  | NORTH                            |                    | 830   | WE   | ST  | SAN JUAN   |
|                   |                  |           | 11 E   | Range             | Hole L          | ocation I  | f Different                      |                    | m Surf  |  |   |  |
| \ \               | or lot no.       | Section   | IOMISHID   | narge             | COC ION         | Feet from the  | MOLENA SOUTH TIME                | Fee                | it from the                                   | East/W   | est line  | Country  |
| <sup>12</sup> Oed | licated Acres    | 158.      | 91 Acre  | s - (N            | W/4)            | <sup>13</sup> Joint or Infill  | <sup>34</sup> Consolidation Code | <sup>15</sup> Orde | r No.   | <u></u> _  | ·   |  |
| NO                | O ALLOW          | VABLE W   | ILL BE A   | ASSIGNE<br>NON-ST | D TO TH         | IS COMPLETION OF THE COMPLETIO | ON UNTIL ALL<br>EEN APPROVED     | INTE               | ERESTS H<br>THE DIVI                          | HAVE BE  | EEN COM   | NSOLIDATED   |
|                   | 302.84           | <b>A</b>  |  | 1.98              |                 |  | 3.96'                            |                    |   |  | CERTI   | FICATION   |
|                   | 830'             | 765       | 1  |                   |                 |  |                                  |                    | I hereby<br>contains<br>to the                | y certify<br>ed herein<br>best of m                | that the<br>is true ar<br>y knowledg              | information<br>nd complete<br>e and belief                                     |
|                   | LOT              | 1         |  |                   |                 |  |                                  |                    | Signatur                                      | re   | ······································            |  |
|                   |                  |           | <del></del> -                                    |                   | <del></del>     |  |                                  |                    | Printed                                       | Name   |   |  |
|                   | LOT              | 2         |  |                   |                 |  |                                  |                    | Title<br>Date                                 |  | •   |  |
| .                 |                  | _         |  |                   |                 |  | 1                                |                    | 18 SURV                                       | EYOR   | CERTI   | FICATION   |
| 80.00             | ,                |           | <del>                                     </del> |                   | 18-             |  | <u> </u>                         | <br>89.24          | I hereby<br>shown on<br>notes of<br>my superv | certify to<br>this plat<br>actual su<br>ision, and | hat the we<br>was plott<br>rveys made<br>that the | ell location<br>ted from field<br>by me or under<br>same is true<br>my belief. |
| 5280              |                  |           | 1  |                   |                 |  |                                  | 528                |   |  |   | ny belief.<br>IL 25, 2002  |
|                   | LOT              | 3         |  |                   |                 |  |                                  | •                  | 1   | and Seal   | of Profes   | sional Surveyor  |
|                   |                  |           |  |                   |                 |  | 1                                | , .                | . /   | JESON<br>JEW                                       | C. EDW  | ARTS .   |
|                   |                  |           |  | -                 | VAN             | WIENTEN.   | 4 020                            |                    | ( )   | THE STATE OF                                       | .5269   | BOUGH STORY  |
|                   | LOT              | 4         |  |                   | 00              | :11 13 51 5  | 7007 VI                          |                    |   | AR AR  | FESSION   | \$   |
|                   | 1306.            | . 80 '.   | 138  | 21.32             |                 | OEMEO<br>264   | 2.64'                            |                    | JAS.<br>Certi                                 | on C   |   | WARDS<br>15269   |

District I POrBox 1980. Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease – 4 Copies Fee Lease – 3 Copies

District II PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

District III 1000 Rio Brazos Rd., Aztec, NM 87410

AMENDED REPORT

District IV PO Box 2088, Santa Fe, NM 87504-2088

# WELL LOCATION AND ACREAGE DEDICATION PLAT

|                               | 'API NUM      | ber            |                  | *Pool Co               | 1                         | BASI  |                     | Name<br>UITLAN   | ID COA  | <br>L  |  |
|-------------------------------|---------------|----------------|------------------|------------------------|---------------------------|---|---------------------|--|---|--|--|
| *Property                     | Code          | <u></u>        |                  |                        | *Property<br>RICKY        | Name  |                     |  |   | Well Number<br>28                                      |  |
| *0GRID N                      | i i           |                | •                | COL                    | . Operator                |   |                     |  |   | *Elevation<br>6032 '                                   |  |
|                               |               |                |                  | :                      | 10 Surface                | Location                                      |                     |  |   |  |  |
| UL or lot no.                 | Section<br>18 | 26N            | Range<br>11W     | Lot Idn                | Feet from the .<br>1845   | Nerth/South 1100<br>SOUTH                     |                     | from time<br>45  | East/Ne<br>WE   |  | SAN JUAN   |
|                               |               |                | Bottom           | Hole L                 | ocation I                 | f Different                                   |                     | n Surf   |   |  |  |
| UL or lot no.                 | Section       | Township       | Range            | Lot Idn                | Feet from the             | North/South line                              | Feet                | from the   | East/vie  | st line  | County   |
| <sup>12</sup> Dedicated Acres | 317           | .96 Acr        | es - (           | W/2)                   | S Joint or Infill         | <sup>34</sup> Consolidation Coda              | <sup>18</sup> Order | No.  | L   |  | _L   |
| NO ALLOW                      | NABLE W       | ILL BE<br>OR A | ASSIGNE<br>NON-S | D TO TH                | IS COMPLETION UNIT HAS BE | ON UNTIL ALL<br>EEN APPROVED                  | INTER<br>BY TH      | RESTS H  | AVE BE  | EN CO  | NSOLIDATED   |
| <sup>16</sup> 1302.           | 84'           | 132            | 21.98            |                        | 264                       | 3.96'   |                     |  |   |  | IFICATION information informat |
| LOT                           | 1             |                |                  |                        | •                         | }<br>;  |                     | Min  | hal   | 7.   | Jano   |
|                               |               |                |                  |                        |                           |   |                     | Signatur<br>Printed                                      | h acl   | 1 7.   | 4 Anson  |
| LOT                           | . 2           |                |                  |                        |                           |   |                     | Fitle<br>Fitle<br>Oate                                   | ncë<br>Voz  |  |  |
| 280.00                        | · -           | -              |                  | <br> -1 <mark>8</mark> |                           | <u> </u>                                      | <br>5289.24'        | I hereby<br>shown on<br>notes of<br>my super<br>and conn | certify to this plat actual survision, and actual survision, and act to the | hat the was plot<br>rveys mad<br>I that the<br>best of | IFICATION rell location tited from field be by me or under e same is true my belief.   |
| L07                           | - 3           |                |                  |                        |                           |   | 7.1                 | Signatura  | e and Seal  | of Profe   | PIL 25, 2002   |
| 745'                          | <b>O</b>      |                |                  |                        |                           |   |                     | . ,  | ZEGO!   |  | AND S  |
| LOT                           | 1945          |                |                  |                        |                           | <u>                                      </u> |                     |  | TESTER AND                              | 10269  | SAMENORA<br>SAMENORA   |
| 1306.80                       |               | 13             | 321.32           | , _                    | ( <u>   </u>              | ₩<br>₩<br>42.64'                              |                     | 11/1   | ificate   | <u> E</u>  | DWARDS<br>15269  |

District I PO Box, 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Depa

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office

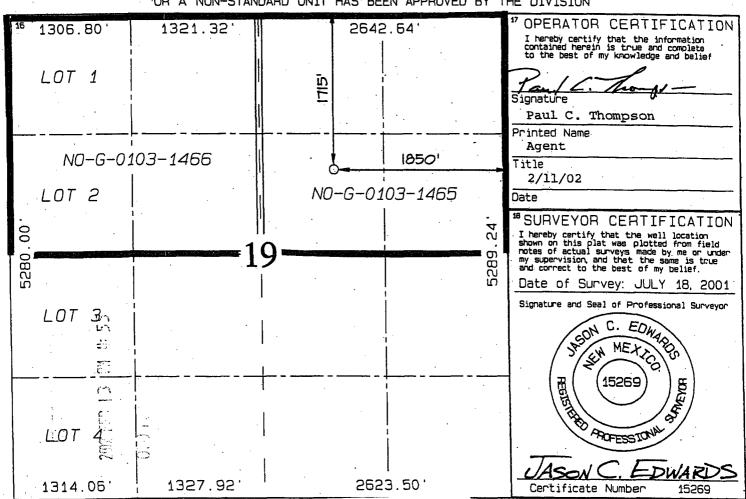
State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

# WELL LOCATION AND ACREAGE DEDICATION PLAT

| A'                            | PI Number | •        |         | *Pool Code<br>71629 |                               | BAS                  | Pool Name<br>SIN FRUITLA               |                | ·                   |
|-------------------------------|-----------|----------|---------|---------------------|-------------------------------|----------------------|--|----------------|---------------------|
| *Property                     | Code      |          |         |                     | Property<br>MEG (             |                      |  | * W            | ell Number<br>1     |
| '0GRID N                      |           |          |         | COLE                | *Operator<br>EMAN OIL         | Name<br>& GAS, INC.  |  |                | Elevation<br>,6102' |
| <u> </u>                      | ·         |          |         |                     | <sup>lo</sup> Surface         | Location             | ······································ |                |                     |
| UL or lot no.                 | Section   | Township | Range   | Lot Idn             | Feet from the                 | North/South line     | Feat from the                          | East/West line | County              |
| G                             | 19        | 26N      | 11W     |                     | 1715                          | NORTH                | 1850                                   | EAST           | SAN JUAN            |
|                               | <u> </u>  | ¹ 11 B   | ottom   | Hole L              | ocation I                     | f Different          | From Surf                              | ace            |                     |
| UL or lot no.                 | Section   | Township | Range   | Lot Idn             | Fest from the                 | North/South line     | Feet from the                          | East/West line | County              |
| <sup>12</sup> Dedicated Acres | 319       | .13 Acre | es - (1 | N/2)                | <sup>13</sup> Joint or Infill | Y Consolidation Code | <sup>55</sup> Onder No.                | •              |                     |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



Jistrict I PO 86x 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO Box 2088, Santa Fe. NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Depart

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Form C-102
Revised February 21, 1994
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AMENDED REPORT

|                     |   |                                      |                  |                | ON AND AC               | REAGE DEDI                       |                     |                       | ΔT ·  |  |
|---------------------|---|--------------------------------------|------------------|----------------|-------------------------|----------------------------------|---------------------|-----------------------|---|--|
| 'A                  | PI Number                                     |                                      | 1                | 1 Code<br>7310 | GALLEGO                 | S FRUITLAND                      | POOL N              |                       | URED CLIFF  | S, SOUTH   |
| 'Property           | Code  | · · · · · · · · ·                    |                  |                | *Property<br>ME(        |                                  | •                   |                       | *We   | :11 Number<br>:2                                 |
| '0GRID N<br>004838  |   |                                      | . •              | COLE           | *Operator<br>EMAN DIL 8 | Name<br>GAS, INC                 |                     |                       | 1   | 5024 '   |
| · .                 |   |                                      |                  |                |                         | Location                         |                     |                       |   |  |
| UL or lot no.       | Section<br>19                                 | 26N                                  | Range<br>11W     | Let Idn        | Feet from the 1185      | North/South line                 | 1                   | from the 190          | East/West line . WEST   | SAN JUAN   |
|                     | ·   |                                      | ottom            | Hole L         | ocation I               |                                  |                     | m Surf                | ace   | <u> </u>   |
| UL or lot no.       | Section                                       | Township                             | Range            | Lot Idn        | Feet from the           | North/South line                 | Feet                | from the              | East/West line  | County   |
| 18 Dedicated Acres  | 159   | .13 Acres                            | s – (N           | W/4)           | Doint or Infill         | <sup>34</sup> Consolidation Coda | <sup>15</sup> Order | No.                   |   | <u></u>  |
| NO ALLOW            | NABLE W                                       | IILL BE A                            | SSIGNE<br>NON-ST | TO TH          | IS COMPLETI             | UNTIL ALL<br>EN APPROVED         | INTE<br>BY T        | RESTS H<br>HE DIVI    | AVE BEEN CO   | NSOLIDATED                                       |
| <sup>16</sup> 1305. | 80.   | - <u>1</u> 76, No. 1 - 1 - 1 - 1 - 1 | 1.32'            |                | <del></del>             | 2.64'                            |                     | <sup>17</sup> OPER    | ATOR CERT   |  |
| , O.T.              | 1 692   | <br>                                 |                  |                |                         |                                  |                     | containe<br>to the    | certify that the d herein is true a pest of my knowled  | ge and belief                                    |
| LOT                 | 1 =   |                                      |                  |                |                         |                                  |                     | Signatur              | 1. Thom   | W  |
| 1190                | <u>,                                     </u> |                                      |                  |                |                         |                                  | ·                   | Paul                  | C. Thompso  | n  |
| ·                   | <del></del>                                   | 103-14                               |                  |                |                         |                                  | •                   | Printed<br>Agen       |   |  |
| ·                   |   | 100 14                               |                  |                |                         |                                  | •                   | Title 2/11            | /02   |  |
| LOT                 | 2   | ļ ,                                  |                  |                | •                       |                                  |                     | Date                  |   |  |
|                     |   | İ                                    | •                |                | •                       |                                  | 24                  | I hereby              | EYOR CERT   | IFICATION  |
| 280.                | e de grad                                     | 1                                    |                  | 19-            |                         | <del> </del>                     | –<br>289.           | notes of<br>my superv | certify that the value this plat was plot actual surveys madistion, and that the to the best of | de by me or under<br>B same is true<br>my belief |
| 52                  |   |                                      |                  |                |                         |                                  | ວິ                  | Date o                | of Survey: JU   | LY 18, 2001                                      |
| LOT                 | . 3   |                                      |                  |                |                         |                                  |                     | 1                     | and Seal of Profi   | essional Surveyor                                |
|                     | <b>9</b> .                                    |                                      |                  |                |                         |                                  | •                   |                       | SEGN C. ED,   | A RECEIVED                                       |
| ·                   | - <del>ii</del>                               |                                      | <del></del> -    |                |                         |                                  | <del> </del>        | 1 /                   |   | O(1)   |
| ;                   | m   | 1                                    | •                | Exhibit        | <b>2</b> D              |                                  | ·                   | /                     | (15269)   | #DUJU BO   |
| LOT                 | - 54  |                                      |                  | LAIIIDIU       |                         |                                  |                     |                       | A POFESSIO  | MI   |
|                     | 7007  | Ŝ                                    | ·.               |                |                         |                                  |                     | JAS                   | ON C.E  | -<br>DWARDS                                      |
| 1314                | .06'  | 133                                  | 27.92            | , 1            | 263                     | 23.50                            |                     | Certi                 | ficate Number   | 15269  |

# EXHIBIT "3" LIST OF OWNERS

|                              | Ricky #1R<br>NOOC 1420-5390<br>NOOC 1420-5389 | Ricky Com #2R<br>NOOC 1420-5389<br>NOOC 1420-5390 | Meg Com #1<br>NOG 0103-1485<br>NOG 0103-1486 | Meg #2<br>NOG 0103-1466<br>NOG 0103-1465 |
|------------------------------|---|---|--|--|
| REVENUE INTEREST             |   |   |  |  |
| Royalty Owners               |   |   |  |  |
| DOI - BIA                    | 0.16666667                                    | 0.16666667  | 0.20000000                                   | 0.20000000                               |
| Overriding Royalty Owners    |   |   |  |  |
| Four Star Oil & Gas Co.      | 0.01555550                                    | 0.01555550  | 0.00000000                                   | 0.00000000                               |
| Pitco Production             | 0.03125000                                    | 0.03125000  | 0.0000000                                    | 0.00000000                               |
| Shear Inc.                   | 0.00444400                                    | 0.00444400  | 0.00000000                                   | 0.00000000                               |
| Richard D. Simmons, Sr.      | 0.01000000                                    | 0.01000000  | 0.00000000                                   | 0.00000000                               |
| Working Interest Owners      |   |   |  |  |
| Coleman Oil & Gas, Inc. etal | 0.77208383                                    | 0.77208383  | 0.80000000                                   | 0.80000000                               |
| Total Revenue Interests      | 1.00000000                                    | 1.00000000  | 1.00000000                                   | 1.00000000                               |

5/13/03 2:05 PM Page 1 of 1



...JO AFTON PLACE FARMINGTON, N.M. 87401 (505) 325-6622

ANALYSIS NO.

CM230011

CUST. NO.

18200 - 10210

# **WELL/LEASE INFORMATION**

**CUSTOMER NAME** 

COUNTY/ STATE

WELL NAME

LOCATION

FIELD

COLEMAN OIL AND GAS INC.

RICKY 1R

SAN JUAN

NM

SOURCE

PRESSURE

WELL HEAD

11 PSIG DEG.F

SAMPLE TEMP **WELL FLOWING** 

N/A

DATE SAMPLED

3/10/03

SAMPLED BY

**BRUCE TAYLOR** 

FOREMAN/ENGR.

REMARKS

**FORMATION** 

CUST.STN.NO.

WELL VENTING

CHARGED WITH HELIUM TO 30#

FRUITLAND COAL

UNNORMALIZED MOLE PERCENT = 62.897

**ANALYSIS** 

| COMPONENT   | MOLE %  | GPM**  | B.T.U.*  | SP.GR * |
|-------------|---------|--------|----------|---------|
| NITROGEN    | 0.864   | 0.0000 | 0.00     | 0.0084  |
| CO2         | 0.886   | 0.0000 | 0.00     | 0.0135  |
| METHANE     | 91.605  | 0.0000 | 927.32   | 0.5075  |
| ETHANE      | 3,693   | 0.9879 | 65.51    | 0.0383  |
| PROPANE     | 1.490   | 0.4106 | 37.58    | 0.0227  |
| I-BUTANE    | 0.482   | 0.1577 | 15.71    | 0.0097  |
| N-BUTANE    | 0.411   | 0.1296 | 13.44    | 0.0082  |
| I-PENTANE   | 0.207   | 0.0757 | 8.30     | 0.0052  |
| N-PENTANE   | 0.109   | 0.0395 | 4.38     | 0.0027  |
| HEXANE PLUS | 0.253   | 0.1104 | 13.01    | 0.0081  |
| TOTAL       | 100.000 | 1.9114 | 1,085.25 | 0.6243  |

<sup>14.730</sup> PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

<sup>\*\* @</sup> 14,730 PSIA & 60 DEG. F.

| COMPRESSIBLITY FACTOR       | (1/Z)     | 1.0025  |
|-----------------------------|-----------|---------|
| BTU/CU.FT (DRY) CORRECTED F | OR (1/Z)  | 1,088.1 |
| BTU/CU.FT (WET) CORRECTED I | FOR (1/Z) | 1,069.2 |
| REAL SPECIFIC GRAVITY       | •         | 0.6259  |

#### ANALYSIS RUN AT 14,730 PSIA & 60 DEGREES F

| DRY BTU @ 14.650 | 1,082.2 | CYLINDER # CYLINDER PRESSURE | 041              |
|------------------|---------|------------------------------|------------------|
| DRY BTU @ 14.696 | 1,085.6 |                              | PSIG             |
| DRY BTU @ 14.730 | 1,088.1 | DATE RUN                     | 3/17/03          |
| DRY BTU @ 15.025 | 1,109.9 | ANALYSIS RUN BY              | DAWN BLASSINGAME |



ചാദ0 AFTON PLACE FARMINGTON, N.M. 87401 (505) 325-6622

ANALYSIS NO.

CM230009

CUST. NO.

18200 - 10205

# WELL/LEASE INFORMATION

**CUSTOMER NAME** 

WELL NAME

**COUNTY/ STATE** LOCATION

**FIELD FORMATION** CUST.STN.NO. COLEMAN OIL AND GAS INC.

RICKY COM 2R

FRUITLAND COAL

SAN JUAN

NM

SOURCE PRESSURE

SAMPLE TEMP **WELL FLOWING** 

DATE SAMPLED SAMPLED BY

FOREMAN/ENGR.

METER RUN 46 PSIG

40 DEG.F

3/4/03

MIKE HANSON

### REMARKS

### **ANALYSIS**

| COMPONENT      | MOLE %  | GPM**  | B.T.U.*  | SP.GR * |
|----------------|---------|--------|----------|---------|
| NITROGEN       | 0.222   | 0.0000 | 0.00     | 0.0021  |
| CO2            | 2.141   | 0.0000 | 0.00     | 0.0325  |
| METHANE        | 95.374  | 0.0000 | 965.47   | 0.5283  |
| ETHANE         | 2.247   | 0.6011 | 39.86    | 0.0233  |
| PROPANE        | 0.009   | 0.0025 | 0.23     | 0.0001  |
| <b>LBUTANE</b> | 0.002   | 0.0007 | 0.07     | 0.0000  |
| N-BUTANE       | 0.000   | 0.0000 | 0.00     | 0.0000  |
| -PENTANE       | 0.000   | 0.0000 | 0.00     | 0.0000  |
| N-PENTANE      | 0.000   | 0.0000 | 0.00     | 0.0000  |
| HEXANE PLUS    | 0.005   | 0.0022 | 0.26     | 0.0002  |
| TOTAL          | 100.000 | 0.6064 | 1,005.89 | 0.5867  |

\* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

\*\* @ 14,730 PSIA & 60 DEG. F.

**COMPRESSIBLITY FACTOR** (1/Z)1.0021 BTU/CU.FT (DRY) CORRECTED FOR (1/Z) 1.008.0 BTU/CU.FT (WET) CORRECTED FOR (1/Z) 990.5 **REAL SPECIFIC GRAVITY** 0.5877

> **ANALYSIS RUN AT** 14,730 PSIA & 60 DEGREES F

DRY BTU @ 14.650 1,002.5 DRY BTU @ 14.696 1,005.7 1,008.0 DRY BTU @ 14.730 DRY BTU @ 15.025 1,028.2

MAR 1 2 2003

CYLINDER# CYLINDER PRESSURE DATE RUN

**ANALYSIS RUN BY** 

K059 **PSIG** 47 3/7/03

DAWN BLASSINGAME



2030 AFTON PLACE FARMINGTON, N.M. 87401 (505) 325-6622

ANALYSIS NO.

CM230021

**UPSTREAM METER TUBE** 

CUST, NO.

18200 - 10220

# WELL/LEASE INFORMATION

CLISTOWER NAME WELL NAME

WELL NAME COUNTY/ STATE LOCATION

COUNTY/ STATI LOCATION FEELD FORMATION CUST.STN.NO. COLEMAN OIL AND GAS INC.

MEG COM #1

SAN JUAN

NM

SOURCE PRESSURE

SAMPLE TEMP WELL FLOWING

SAMPLED BY

FOREMAN/ENGR.

DATE SAMPLED 5/15/03

BRUCE TAYLER

40 PSIG

DEG.F

### REMARKS

### **ANALYSIS**

| COMPONENT        | MOLE %  | GPM**  | B.T.U.*  | SP.GR *          |
|------------------|---------|--------|----------|------------------|
| NITROGEN         | 0.217   | 0.0000 | 0.00     | 0.0021           |
| <b>Ç</b> 02      | 2.393   | 0.000  | 0.00     |                  |
| METHANE          | 94.618  | 0.0000 | 957.82   | 0.0364           |
| ETHANE           | 2.613   | 0.6990 | 46.35    | 0.5242           |
| PROPANE          | 0.078   | 0.0215 | 1.97     | 0.0271<br>0.0012 |
| <b>FBUTANE</b>   | 0.022   | 0.0072 | 0.72     | 0.0004           |
| N-BUTANE         | 0.024   | 0.0076 | 0.78     |                  |
| <b>I-PENTANE</b> | 0.015   | 0.0055 | 0.60     | 0.0005           |
| N-PENTANE        | 0.007   | 0.0025 | 0.28     | 0.0004           |
| HEXANE PLUS      | 0.013   | 0.0057 | 0.67     | 0.0002<br>0.0004 |
| TOTAL            | 100.000 | 0.7489 | 1,009.19 | 0.5928           |

\*@ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

" 4.730 PSIA & 60 DEG. F.

COMPRESSIBLITY FACTOR (1/Z) 1.0022 BTU/CU.FT (DRY) CORRECTED FOR (1/Z) 1.011.4 BTU/CU.FT (WET) CORRECTED FOR (1/Z) 996.1 REAL SPECIFIC GRAVITY 0.5941

ANALYSIS RUN AT

14,730 PSIA & 60 DEGREES F

DRY BTU @ 14.650 1,005.9
DRY BTU @ 14.696 1,009.1
DRY BTU @ 14.730 1,011.4
DRY BTU @ 15.025 1,031.7

CYLINDER #
CYLINDER PRESSURE
DATE RUN

AZT047 90 PSIG 5/16/03

ANALYSIS RUN BY CHELLE DURBIN



2030 AFTON PLACE FARMINGTON, N.M. 87401 (505) 325-6622

ANALYSIS NO.

CM230022

CUST. NO.

18200 - 10225

# WELL/LEASE INFORMATION

CLISTOMER NAME WELL NAME COUNTY/ STATE

COLEMAN OIL AND GAS INC.

**MEG #2** 

SAN JUAN

NM

SOURCE PRESSURE

SAMPLE TEMP WELL FLOWING

DATE SAMPLED

SAMPLED BY

FOREMAN/ENGR.

**UPSTREAM METER TUBE** 

32 PSIG

DEG.F

5/15/03

**BRUCE TAYLOR** 

### **REMARKS**

LOCATION

FORMATION

CUST.STN.NO.

FELD

### **ANALYSIS**

| COMPONENT   | MOLE %  | GPM**  | B.T.U.*  | SP.GR * |
|-------------|---------|--------|----------|---------|
| NITROGEN    | 0.192   | 0.0000 | 0.00     | 0.0019  |
| CO2         | 2.457   | 0.0000 | 0.00     | 0.0373  |
| METHANE     | 94.286  | 0.0000 | 954.46   | 0.5223  |
| ETHANE      | 2.987   | 0.7990 | 52.98    |         |
| PROPANE     | 0.049   | 0.0135 | 1.24     | 0.0310  |
| LBUTANE     | 0.013   | 0.0043 | 0.42     | 0.0003  |
| N-BUTANE    | 0,007   | 0.0022 | 0.23     | 0.0001  |
| LPENTANE    | - 0.006 | 0.0022 | 0.24     | 0.0001  |
| N-PENTANE   | 0.001   | 0.0004 | 0.04     | 0.0000  |
| HEXANE PLUS | 0.002   | 0.0009 | 0.10     | 0.0001  |
| TOTAL       | 100.000 | 0.8224 | 1,009.71 | 0.5939  |

#### 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY • 0

**"**@ 14,730 PSIA & 60 DEG. F.

COMPRESSIBLITY FACTOR (1/Z)1.0022 BTU/CU.FT (DRY) CORRECTED FOR (1/Z) 1,011.8 BTUICU.FT (WET) CORRECTED FOR (1/Z) 996.7 **REAL SPECIFIC GRAVITY** 0.5951

> **ANALYSIS RUN AT** 14.730 PSIA & 60 DEGREES F

DRY BTU @ 14.650 1,006.4 DRY BTU @ 14.696 1,009.6 DRY BTU @ 14.730 1.011.9 DRY BTU @ 15.025 1,032.2

CYLINDER # **CYLINDER PRESSURE** DATE RUN

**ANALYSIS RUN BY** 

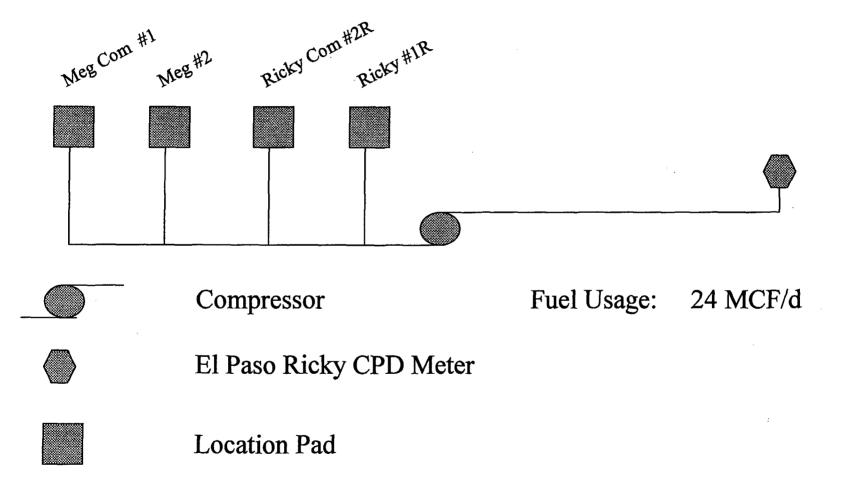
74 5/16/03

**9EK0862** 

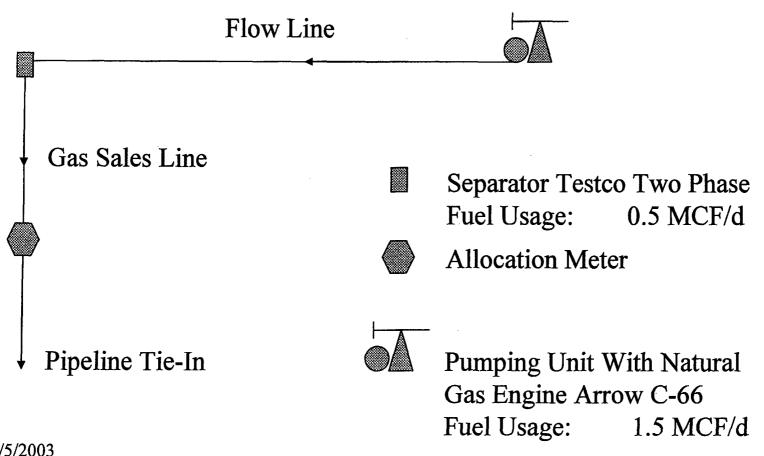
CHELLE DURBIN

**PSIG** 

# Ricky CPD Surface Commingle

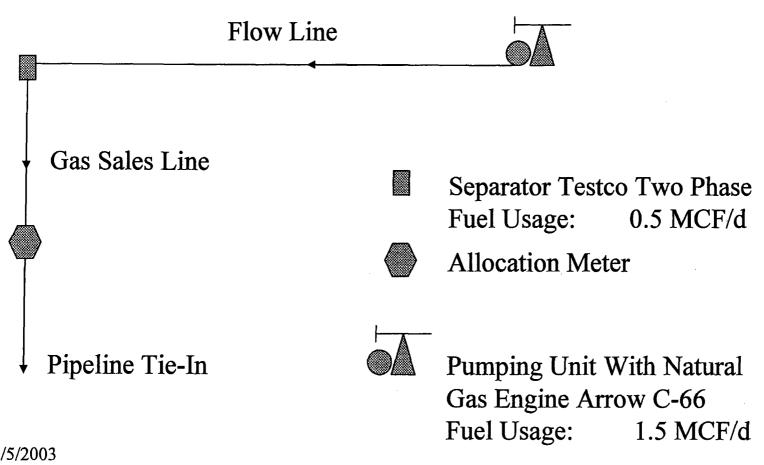


# Ricky Com #2R Surface Facility



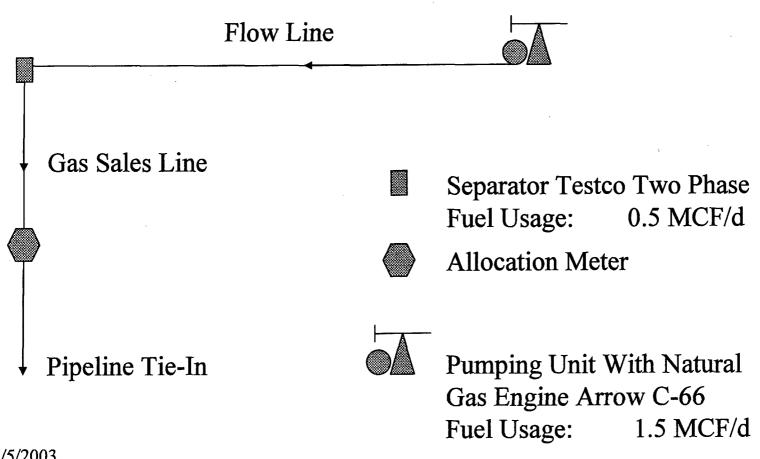
5/5/2003

# Ricky #1R Surface Facility



5/5/2003

# Meg #2 Surface Facility



5/5/2003

# Meg Com #1 Surface Facility

