NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

COMMINGLING ORDER PC-1176

BP America Production Company 501 Westlake Park Blvd PO Box 3092 WL1-19.132 Houston, TX 77079

Attention: Cherry Hlava

The above-named company is hereby authorized to commingle gas production from the Basin-Dakota Prorated Gas (71599) Pool, and the West Kutz-Pictured Cliffs Gas (79680) Pools from the following diverse ownership wells located on the same lease located in San Juan County, New Mexico.

Gallegos Canyon Unit Well No. 152E (API 30-045-24553) Unit O, Section 21, Township 29 North, Range 12 West, NMPM Basin-Dakota Prorated Gas Pool, S/2 Sec 21 Dedication

Gallegos Canyon Unit Well No. 561 (API 30-045-30230) Unit O, Section 21, Township 29 North, Range 12 West, NMPM West Kutz-Pictured Cliffs Gas Pool, SE/4 Sec 21 Dedication

Each of these wells shall be equipped with its own separator and allocation meter that will continuously meter production prior to commingling for sales. Gas production from each of the subject wells shall be determined by ratio utilizing allocation meter volumes and sales meter volumes. Oil shall not be commingled.

It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

Done, at Santa Fe, New Mexico on October 25, 2006.

MARK E. FESMIRE, P.E.,

Division Director

MEF/wvji

cc:

Oil Conservation Division – Aztec

Bureau of Land Management-Farmington