



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-1178

BP America Production Company
501 Westlake Park Blvd
PO Box 3092
WL1-19.134
Houston, TX 77079

Attention: Kristina Hurts

The above-named company is hereby authorized to commingle gas production from the Basin-Fruitland Coal Gas (71629) Pool, and the North Pinon-Fruitland Sand Gas (82920) Pools from the following diverse ownership wells located on the same lease in San Juan County, New Mexico.

Gallegos Canyon Unit Well No. 173 (API 30-045-07910)
Unit A, Section 29, Township 29 North, Range 12 West, NMPM
Basin-Fruitland Coal Gas Pool, E/2 Sec 29 Dedication

Gallegos Canyon Unit Well No. 357 (API 30-045-26366)
Unit A, Section 29, Township 29 North, Range 12 West, NMPM
North Pinon Fruitland Sand Gas Pool, NE/4 Sec 29 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/wvjj

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