

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Surface Commingling Order CTB-599

March 10, 2009

Pro NM Energy, Inc.
460 St Michael's Drive # 300
Santa Fe, New Mexico 87505

Attention: Jolene Dicks:

Pro NM Energy, Inc. is hereby authorized to surface commingle gas production from the Basin Dakota Prorated Gas Pool (71599) from the following leases.

Lease: **Bisti Max 24-F (Track No. 1, NO-G-9909-1358)**
Well: Bisti Max 24-F Well No.1 (API No. 30-045-32318) Unit F, Section 24

Lease: **Bisti Max 24-F (Track No.2, NM-94826)**
Well: Bisti Max 24-F Well No. 1-E (API No. 30-045-34692) Unit N, Section 24

All in Township 25 North, Range 11 West, NMPM, San Juan County, New Mexico

Commingled gas production from the wells detailed above shall be measured and sold at the Enterprise Central Delivery Point (CDP), located in Unit F, Section 24, Township 25 North, Range 11 West, NMPM, San Juan County, New Mexico..

Gas production from all the wells shall be measured continuously with calibrated allocation meters installed in the wells prior to commingling with gas from other wells. Any liquid hydrocarbons produced from the wells shall **NOT** be commingled.

The allocation and the Central Delivery Point meters shall be calibrated semi-annually. Since the two wells have allocation meters, the production assigned to each well shall be the integrated volume from the allocation meters adjusted to match the Central Delivery Point meter.



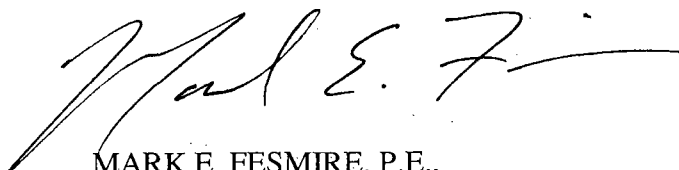
March 10, 2009

Page 2

NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Aztec district office of the Division prior to implementation of commingling operations.

DONE at Santa Fe, New Mexico, on March 10, 2009.

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", with a long horizontal line extending to the right.

MARK E. FESMIRE, P.E.,
Division Director

MEF/re

cc: Oil Conservation Division – Aztec
Bureau of Land Management (BLM) - Farmington
State Land Office Oil and Gas Division, Santa Fe