



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

*COMMINGLING ORDER PLC-191*

Dugan Production Corporation  
P. O. Box 420  
Farmington, New Mexico 87499-0420

Attention: Mr. John D. Roe

The above named company is hereby authorized to commingle gas production from the following-described pools within the following-described area (hereinafter referred to as the Dugan Big Band Gas Gathering System Area):

<u>Pool Name</u>	<u>Pool Code</u>
Rusty-Chacra Pool	(Gas – 84360)
Basin-Fruitland Coal Pool	(Gas – 71629)

**Dugan Big Band Gas Gathering System Area**

**Township 22 North, Range 8 West, NMPM**

Section 23: S/2  
Section 24: S/2  
Section 26: W/2  
Section 27: All  
Section 35: SW/4

This area contains all or portions of Federal Leases No. NM-8902, NM-57445, NM-90471, NM-90472, NM-93253 and NM-94067.

This area currently contains, or will contain, subsequent to completion of additional drilling operations, nine wells that are either singly completed within the Rusty-Chacra or Basin-Fruitland Coal Gas Pool, or downhole commingled within these pools. All wells within the area are operated by Dugan Production Corporation.

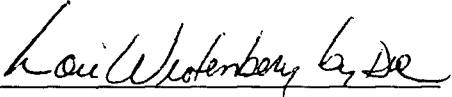
Production shall be allocated by metering the gas production from each of the wells within the Dugan Big Band Gas Gathering System Area utilizing individual allocation meters. Gas production shall then be commingled and transported to a PNM gas sales meter located in the NE/4 NE/4 of

Section 27, Township 22 North, Range 8 West, NMPM. Production shall be allocated back to each well utilizing allocation and sales meter volume data, and shall be determined in accordance with the formula set forth within the application to commingle.

No liquids shall be commingled within the Dugan Big Band Gas Gathering System.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." 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 upon commencement of commingling operations.

  
LORI WROTENBERY,  
Division Director

LW/DRC

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