



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order PLC-336

April 27, 2011

McElvain Oil & Gas Properties, Inc.
1050 17th Street, Suite 2500
Denver, Colorado 80265

Attention: Mark W. Elliott

McElvain Oil & Gas Properties, Inc. ("McElvain") is hereby authorized to surface commingle gas production from the following Pools located in Township 29 North, Ranges 12, and 13 West, NMPM, San Juan County, New Mexico.

West Kutz Pictured Cliffs (Gas) (79680)
Basin Fruitland Coal (Gas) (71629)

and from the following diversely owned wells located on Federal and Fee leases in San Juan County, New Mexico:

Ropco Fee FC 7 Well No. 1 (API No. 30-045-28818), NW/4SW/4, Section 7, Unit L

Ropco Federal 12 Well No. 2 (API No. 30-045-29198), SE/4NE/4, Section 12, Unit H

Ropco Federal PC 12 Com Well No. 1 (API No. 30-045-29096), SW/4SE/4, Section 12, Unit J

All in Township 29 North, Ranges 12, and 13 West, NMPM, San Juan County, New Mexico.

The commingled production shall be measured and sold at a Central Delivery Point (CDP) located at the Ropco Fee FC 7 Well No. 1 in Section 7, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. Gas production from the wells is approved for off lease measurement and sales. Any liquid production shall not be commingled

Gas production from the wells shall be measured continuously with calibrated allocation meters prior to commingling with production from other wells. The allocation meters shall be calibrated semi-annually.



The producer/operator shall 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 April 27, 2011.



Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division District Office – Aztec
Bureau of Land Management (BLM) - Farmington