



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 PC-1024-A

 XTO Energy Inc.
2700 Farmington Avenue
Building K, Suite 1
Farmington, New Mexico 87401

Attention: Mr. Darrin L. Steed

LEASE: Florance D "LS" No. 7 (API No. 30-045-06313)

DESCRIPTION: South Blanco-Pictured Cliffs Gas Pool
SE/4 of Section 19

LEASE: Florance No. 67 (API No. 30-045-11822)

DESCRIPTION: Blanco-Mesaverde, Basin-Dakota and Otero-Chacra Gas Pools
E/2 of Section 19

LEASE: Florance No. 69R (API No. 30-045-30629)

DESCRIPTION: Basin-Fruitland Coal Gas Pool
E/2 of Section 19

Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico

The above-named company is hereby authorized to commingle South Blanco-Pictured Cliffs (Prorated Gas - 72439), Basin-Dakota (Prorated Gas - 71599), Blanco-Mesaverde (Prorated Gas - 72319), Otero-Chacra (Gas - 82329) and Basin-Fruitland Coal (Gas - 71629) Pool production from the above-described lease and to determine the production from each pool by:

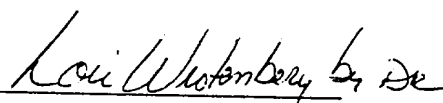
Separately metering the production from the Florance D "LS" No. 7 and the Florance No. 69R utilizing allocation meters, and determining the production from the Florance No. 67 by subtracting the production volumes from the Florance D "LS" No. 7 and the Florance No. 69R from the total sales volume, all in accordance with the formula set forth within the application to commingle. Oil production shall not be commingled. Compressor fuel gas usage shall be allocated equally to each well.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 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.

REMARKS: The commingled natural gas production shall be delivered to a gas sales meter located in the SW/4 SE/4 of Section 19, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

DONE at Santa Fe, New Mexico, on this 10th day of December, 2001.



LORI WROTENBERY,
Division Director

LW/DRC

cc: Oil Conservation Division- Aztec /