State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



Administrative Order DHC-4634 Order Date: August 30, 2013

Application Reference Number: pPRG1322755417

XTO Energy, Inc. 382 CR 3100 Aztec, NM 87413

Attention: Kristen Lynch

Sullivan A Well No. 1F API No: 30-045-35372

Unit L, Section 25, Township 29 North, Range 11 West, NMPM

San Juan County, New Mexico

Pool Names: OTERO CHACRA

Gas 82329

ARMENTA-GALLUP

Oil 2290

BASIN DAKOTA

Gas 71599

Reference is made to your recent application for an exception to 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A. NMAC, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and allocation of production from the well shall be as follows:

OTERO CHACRA (GAS) POOL	Pct Gas: 25	Pct Oil: 0
ARMENTA-GALLUP OIL POOL	Pct Gas: 23	Pct Oil: 87
BASIN DAKOTA (PRORATED GAS) POOL	Pct Gas: 52	Pct Oil: 13

It is also understood that you have given due notice of this application, as defined in 19.15.4.12A.(6) NMAC, to all owners of interest when ownership is not common for the commingled zones within the spacing unit.

REMARKS: The operator shall notify the Division's district III office upon implementation of commingling operations.

Pursuant to 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

JAMI BAILEY

Director

JB/prg

cc: New Mexico Oil Conservation Division - Aztec District