



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PC-1054

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

Attention: Mr. Darrin L. Steed

The above named company is hereby authorized to surface commingle the following pools and wells:

<u>Pool</u>	<u>Pool Code</u>
South Blanco – Pictured Cliffs	72439
Basin – Dakota	71599
Blanco – Mesa Verde	72319

Existing Well: Florance No. 064 (**API No. 30-045-11872**)
Blanco – Mesa Verde and Basin – Dakota Down Hole Commingled
SW/4 SE/4 of Section 17, Township 27N, Range 8W NMPM

Existing Well: Florance D LS No. 015 (**API No. 30-045-06450**)
South Blanco – Pictured Cliffs
SE/4 SE/4 of Section 17, Township 27N, Range 8W NMPM

Both wells are located in San Juan County, New Mexico. These wells all have common ownership and are located on the same Federal lease No. NMNM – 03380.

The Florance D LS No. 015 shall be equipped with an individual gas allocation meter. Gas production shall be allocated to each well based on sales, the test meter, and allocated fuel usage. Oil and water production shall be allocated based on tests – currently the Pictured Cliffs produces no oil or water. Compressor fuel gas usage shall be allocated as appropriate between wells.

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.

Administrative Order PC-1054

XTO Energy, Inc.

March 25, 2002

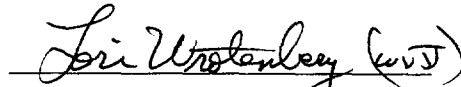
Page 2

REMARKS: The commingled natural gas production shall be delivered to a gas sales meter located in the SW/4 SE/4 of Section 17, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico.

FURTHER: The operator shall notify the supervisor of the Aztec district office prior to implementation of this commingling operation.

PROVIDING: Like approval is also required from the U.S. Bureau of Land Management.

DONE at Santa Fe, New Mexico, on this 25nd day of March 2002.


LORI WROTENBERY,
Division Director

LW/WVJ

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