

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Betty Rivera Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

AMENDED COMMINGLING ORDER PC-1024-B

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 commingle sales and production from the following pools within the following specified acreage all located in Section 19, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico.

Florance D "LS" No. 7 South Blanco-Pictured Cliffs (Prorated Gas 72439) Pool

Florance No. 67 Blanco-Mesaverde (Prorated Gas 72319) Basin-Dakota (Prorated Gas 71599) Otero-Chacra (Gas 82329) Pools

Florance No. 69R Basin-Fruitland Coal (Gas 71629) Pool API No. 30-045-06313 SE/4 Dedication

API No. 30-045-11822 E/2 Dedication E/2 Dedication SE/4 Dedication

API No. 30-045-30629 E/2 Dedication

Production from each pool shall be determined 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 and water production shall not be commingled. Compressor fuel gas usage shall be allocated according to well production rates.

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 on the lease.

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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 6th day of September 2002.

(WVI)) fori Wrotenbery

LORI WROTENBERY, Division Director

LW/wvjj

cc: Oil Conservation Division- Aztec