



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



August 5, 2010

Administrative Order PLC-342
Administrative Application Reference No. pWVJ11-18930379

XTO Energy, Inc.
382 Road 3100
Aztec, NM 87410

Attention: Jennifer Morrow

XTO Energy, Inc ("XTO") is hereby authorized to surface commingle **gas production** from the following Pools:

South Blanco Pictured Cliffs (72439)
Basin Dakota (71599)
Blanco Mesaverde (72319)

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

Schwerdtfeger A Well No. 3M (API 30-045-11605) Unit D of Sec. 6, T27N, R8W, San Juan County, New Mexico.

Schwerdtfeger A LS Well No. 22 (API 30-045-11728) Unit D of Sec 6, T27N, R8W, San Juan County, New Mexico.

The gas sales point for the commingled production shall be located in Unit D of Section 6, Township 27 North, Range 8 West. Gas production from the wells is approved for off lease measurement and sales. 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.

Oil Conservation Division
1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD

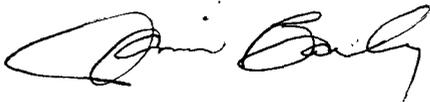


This approval is subject to like approval by the United States Bureau of Land Management (BLM) before commencing the commingling operations.

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.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

JAMI BAILEY,

Director

JB/db

cc: Oil Conservation Division District Office – Aztec