State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin
Cabinet Secretary

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



Administrative Order DHC-4709 Order Date: October 30, 2014

Application Reference Number: pMAM1429458456

XTO Energy, Inc 382 CR 3100 Aztec, NM 87410

Attention: Kristen Babcock

Texakoma Federal 7 Well No. 2

API No. 30-045-30527

Unit C, Section 7, Township 30 North, Range 12 West, NMPM

San Juan County, New Mexico

Pool

BASIN FRUITLAND COAL (GAS)

Gas (71629)

Names:

FLORA VISTA FRUITLAND SAND (GAS)

Gas (76600)

Reference is made to your recent application for an exception to Division Rule 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 appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since 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 Division Rule 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.

As per the application, the assignment of allowable and allocation of production from the well shall be based on historical production from the two zones in this well.

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

BASIN FRUITLAND COAL (GAS) POOL	Pct. Gas: 87	Pct. Oil: 0
FLORA VISTA FRUITLAND SAND (GAS)	Pct. Gas: 13	Pct. Oil: 100

It is also understood that you have given due notice of this application, as defined in Division Rule 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: This Order is subject to like approval from the United States Bureau of Land Management.

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 NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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

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