State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

June 1, 2018

Surface Commingling Order PLC-509

XTO Energy, Inc.

Attention: Ms. Patricia Donald

Pursuant to your application received on May 11, 2018, XTO Energy, Inc. (OGRID 5380) is hereby authorized to surface commingle oil and gas production and off-lease measure from the following pools:

WILLOW LAKE; DELAWARE	(64453)
WILLOW LAKE; BONE SPRING, SOUTHEAST	(96217)
PURPLE SAGE; WOLFCAMP (GAS)	(98220)

and from wells, and their associated leases and pools along with Range of decline identified in Attachment No. A and made part of this order. These wells are located on federal and state communitization agreements in Township 24 South, Range 29 East, and Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

It is understood that the test separator and meters are designed to accurately measure production from the wells with the highest production rate. It is also assumed that all of the oil and gas production from the wells in this application will display a hyperbolic decline, and will fit the decline parameters described in Hearing Order R-14299. Wells that are in prior to Range 1 of decline shall be tested daily. Wells that are in Range 1 of decline shall be measured with a combination of metering and well testing, and shall be tested at least three times a month. Wells that are in Range 2 of decline shall be measured with a combination of metering and well testing, and shall be tested at least twice a month. Wells in Range 3 of decline shall be measured with a combination of metering and well testing, and shall be tested at least once a month.

Oil and gas production from BLM/NMSLO Com wells shall be measured separately at the BLM/NMSLO Train before commingling with production from NMSLO wells and shall follow measurement guidelines established in Hearing Order R-14299.

Oil and gas production from the NMSLO wells shall be measured separately at the State Train before commingling with the BLM/NMSLO Com wells and shall follow measurement guidelines established in Hearing Order R-14299.

The oil and gas production from these wells listed as part of this application shall be measured and sold from the Goldenchild Central Tank Battery (CTB), located in Unit P, Section 6, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico.

XTO Energy, Inc. shall provide a Sundry Notice to the Engineering Bureau in Santa Fe when a dedicated separator is removed.

For future additions of wells, leases, and pools to this commingling operation, notice shall only be given to those interest owners in the wells, leases or pools to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This approval is subject to like approval from Bureau of Land Management and New Mexico State Land Office before commencing commingling operations.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division District Office - Artesia

Bureau of Land Management – Carlsbad

New Mexico State Land Office - Oil, Gas, and Minerals

Attachment A

- 1	int A: XIO ENERGY IN	VC Golden Chili	Attachment A: XIO ENERGY INC Golden Child Central Tank Battery				
Well Name	API SE	Location	Project Area	Lease/Hearing Order	Lease Type	Pool	Range
Cattle Baron Federal Com Well No. 2H	30.015-44281	0-6-255-29E	W/2 SE/4 of Section 31, T24S R29E, and W/2 E/2 Section 6, T2SS R29E	Federal Lease NMNM111533; R-14477-A		Willow Lake; Bone Spring, Southeast	Not drilled
Golden Corrral Federal Com Well No. 2H	30-015-44277	0-6-255-29E	W/2 SE/4 of Section 31, T24S R29E, and W/2 E/2 Section 6, T25S R29E	Federal Lease NMNM111533; R-14477-A	BLM/NMSLO Com	Willow Lake; Bone Spring, Southeast	Not drilled
Roadhouse Federal com Well No. 1H 30-015	-44278	0-6-255-29E	SE/4 Section 31, T 24S R29E, and E/2 Section 6 T255 R29E	Federal Lease NMNM111533; R-14478-A	Purple Sage; BLM/NMSLO Com Wolfcamp (Gas)	П	Not drilled
Roadhouse Federal Com Well No. 2H	30-015-44279	0-6-255-29E	SE/4 Section 31, T 245 R29E, and E/2 Section 6 T255 R29E	Federal Lease NMNM111533; R-14478-A	Purple Sage; BLM/NMSLO Com Wolfcamp (Gas)		Not drilled
Sizzler Federal Com Well No. 2H	30-015-44280	0-6-25S-29E	SE/4 Section 31, T 24S R29E, and E/2 Section 6 T25S R29E	Federal Lease NMNM111533; R-14478-A	Purple Sage; BLM/NMSLO Com Wolfcamp (Gas)		Not drilled
Goldenchild 6 State Well No. 1	30-015-38544	I-6-255-29E	NE/4 5E/4 of Section 6 T25S R29E	NMSLO Lease L 062930001	NMSLO Lease	Willow Lake; Delaware	e
Goldenchild 6 State Well No. 2	30-015-41732	O-6-255-29E	SW/4 SE/4 of Section 6 T25S R29E	NMSLO Lease L 062930001	NMSLO Lease	Willow Lake; Delaware	3
Goldenchild 6 State Well No. 1H	30-015-43003	P-6-255-29E	E/2 SE/4 of Section 31 T24S 29E, and E/2 E/2 of Section 6 T2SS 29E	Goldenchild 6 State Well No. 1H; R-14028	NMSLO Lease	Purple Sage; Wolfcamp (Gas)	3
Golden Corrral State Com Well No. 1H	30-015-43251	P-6-255-29E	E/2 SE/4 of Section 31 T24S 29E, and E/2 E/2 of Section 6 T25S 29E	Golden Corrral State Com Well No. 1H; R-14078	NMSLO Lease	Willow Lake; Bone Spring, Southeast	
Cattle Baron State Well No. 1H	30-015-43957	P-6-25S-29E	E/2 SE/4 of Section 31 T24S 29E, and E/2 E/2 of Section 6 T2SS 29E	Golden Corrral State Com Well No. 1H; R-14078	NMSLO Lease	Willow Lake; Bone Spring, Southeast	Pre Range 1
Sizzler State Well No. 1H	30-015-43956	P-6-255-29E	E/2 SE/4 of Section 31 T24S 29E, and E/2 E/2 of Section 6 T2SS 29E	Goldenchild 6 State Well No. 1H; R-14028	NMSLO Lease	Purple Sage; Wolfcamp (Gas)	Pre Range 1