

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

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Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order PLC-366
January 28, 2013

XTO Energy, Inc.
382 CR 3100
Aztec, NM 87410
Attention: Kristen D. Lynch:

XTO Energy, Inc. ("XTO") has applied to surface commingle gas production from multiple pools produced from the following diversely owned wells, both located on a State of New Mexico lease, all located in Section 16, Township 31 North, Range 12 West, NMPM, San Juan County, New Mexico:

State Gas Com M Well No. 1A API 30-045-22765 Unit Letter I
Blanco Mesaverde Prorated Gas Pool (72319) 320-acre, S/2 Dedicated Acreage

State Gas Com M Well No. 2 API 30-045-32661 Unit Letter I
Basin Fruitland Coal Gas Pool (71629) 320-acre, S/2 Dedicated Acreage
Aztec Pictured Cliffs Gas Pool (71280) 160-acre, SE/4 Dedicated Acreage, DHC-1875az

It is our understanding that ownership is diverse between these wells and/or producing pools, that notice has been provided to all affected parties, and no party has objected.

Gas production shall be continuously measured for each well then combined for sales through a CDP located near the State Gas Com M Well No. 2 in Unit letter I of Section 16.

As allowed in 19.15.12.10 NMAC, this application for surface commingling as proposed in the application is hereby approved. Oil production is not approved for surface commingling.

The operator shall notify the transporter of this commingling authority and the Aztec district office of the Division upon commencement of off-lease measurement and sales. This approval is subject to like approval from the New Mexico State Land Commissioner.

A handwritten signature in black ink, appearing to read "Jami Bailey", is written over the typed name.

JAMI BAILEY
Division Director

JB/wvjj

cc: Oil Conservation Division – Aztec
State Land Office – Oil, Gas, and Minerals Division