



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
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Deputy Cabinet Secretary

Daniel Sanchez
Acting Division Director
Oil Conservation Division



April 1, 2011

Administrative Order DHC-4366
Application Reference Number: pTGW11-06755315

XTO Energy, Inc.
Attn: Ms. Wanett McCauley

Re: Breech A Well No. 158
API No. 30-039-29997

Pool: Blanco Mesaverde Gas (72319)
Basin Mancos (97232)
Basin Dakota Gas (71599)

Dear Ms. McCauley:

Reference is made to your application for an exception to Division Rule 12.9A. to permit down hole commingling of production from the subject pools within the above-described wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11A., and that 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.

In accordance with Division Rule 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

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

Blanco Mesaverde Gas Pool	Pct Gas: 9%	Pct Oil: 10%
Basin Mancos Pool	Pct Gas: 58%	Pct Oil: 84%

Oil Conservation Division
1220 South St. Francis Drive • Santa Fe, New Mexico 87505
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Basin Dakota Gas Pool	Pct Gas: 33	Pct Oil: 6
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It is our understanding that the above allocation percentages are based on historical production from this well in the Dakota and average production from surrounding wells in the shallower zones.

It is also understood that ownership of all interest in the pools from which production is being commingled is not identical, and you have given required notices to all persons entitled to receive payment for proceeds from production in all zones being commingled.

This approval is conditional upon approval by the United States Bureau of Land Management prior to commencement of commingling.

The operator shall notify the Division's Aztec district office upon implementation of commingling operations.

Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



J. Daniel Sanchez
Acting Director

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DS/db

cc: Oil Conservation Division – Aztec
United States Bureau of Land Management