

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division
Administrative Commingling Order PLC-246

XTO Energy Inc. 2700 Farmington Ave. Bldg K, Suite 1 Farmington, New Mexico 87401

Attention: Holly C. Perkins

The above named company is hereby authorized to commingle gas production from existing and future wells within the following-described pools and associated areas all located in San Juan County, New Mexico.

West Kutz-Pictured Cliffs (Gas 79680)

Township 27 North, Range 11 West, NMPM

Section 8: NE/4

Basin-Fruitland Coal (Gas 71629)

Township 27 North, Range 11 West, NMPM

Section 8: E/2

These areas contain all or portions of Federal Lease No. NMSF-080382A that comprise portions of Township 27 North, Range 11 West, NMPM, San Juan County, New Mexico. This area contains or will soon contain 2 XTO Energy operated wells that are completed within at least one of the pool-areas described above. This permit does not need to be amended unless an additional pool is to be added or these areas as described above are to be extended.

Production shall be allocated by separately and continuously metering the gas production from each well or group of wells with identical ownership within this gas gathering system. Gas production shall then be commingled and transported to a gas sales meter located on this lease in the NE/4 of Section 8, Township 27 North, Range 11 West, NMPM, San Juan County, New Mexico.

NOTE: It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

XTO Energy, Inc. Commingling Order PLC-246 April 30, 2004 Page 2 of 2

Done, at Santa Fe, New Mexico on this 30th day of April 2004.

JOANNA PRUKOP, Acting Division Director

JP/wvjj

cc:

Oil Conservation Division – Aztec Bureau of Land Management-Farmington