



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

COMMINGLING ORDER PLC-255

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

Attention: Ms. Holly C. Perkins

The above-named company is hereby authorized to commingle gas production from the Blanco-Mesaverde (Prorated Gas - 72319), Aztec-Pictured Cliffs, (Gas - 71280) and Otero-Chacra (Gas - 82329) Pools from the following three (3) San Juan County diverse ownership wells as detailed below.

Armenta Gas Com "A" Well No. 1 (API 30-045-07926)
Unit D, Section 27, Township 29 North, Range 10 West, NMPM
NW/4 Dedication
Aztec-Pictured Cliffs Gas Pool
Federal Lease No. NMSF-077082

Armenta Gas Com "C" No. 1E (API 30-045-23856)
Unit C, Section 27, Township 29 North, Range 10 West, NMPM
N/2 Dedication
Blanco-Mesaverde Gas Pool
Federal Lease No. NMNM-99332

Candeleria Gas Com "C" Well No. 1 (API 30-045-26167)
Unit C, Section 27, Township 29 North, Range 10 West, NMPM
NW/4 Dedication
Otero-Chacra Gas Pool
Federal Lease No. CA-NM015P3585C424

Each of the subject wells shall be equipped with an allocation meter that will continuously meter production prior to commingling. Gas production from each of the subject wells shall be determined by ratio utilizing allocation meter volumes and sales meter volumes. Compressor fuel usage shall be allocated based upon each well's production. The total production from all wells shall be metered by an EPNG gas sales meter located at or near the location of the Armenta Gas Com "A" Well No. 1. Liquids shall not be commingled.

XTO Energy Inc.
Commingling Order PLC-255
August 9, 2004
Page 2

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.

Done, at Santa Fe, New Mexico on this 9th day of August, 2004.


MARK E. FESMIRE, P.E.,
Division Director

MEF/drc

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