

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division
COMMINGLING ORDER PC-1094

XTO Energy Inc. 2700 Farmington Avenue, Building K, Suite 1 Farmington, New Mexico 87401

Attention: Trenis Sondresen

The above named company is hereby authorized to surface commingle identically owned Basin-Fruitland Coal (Gas 71629) and Blanco-Mesaverde (Prorated Gas 72319) pool production from Federal Lease No. NMNM-14921. Currently the following wells and acreage are included in this lease and in this surface commingle.

Valencia Canyon Unit Well No. 15 Basin-Fruitland Coal, 320 acres, S/2 of Section 27, Township 28 North, Range 4 West, NMPM, Rio Arriba County, New Mexico

Valencia Canyon Unit Well No. 43A Blanco-Mesaverde Prorated Gas, 320 acres, S/2 of Section 27, Township 28 North, Range 4 West, NMPM, Rio Arriba County, New Mexico

Valencia Canyon Unit Well No. 43B Blanco-Mesaverde Prorated Gas, 320 acres, S/2 of Section 27, Township 28 North, Range 4 West, NMPM, Rio Arriba County, New Mexico

Production shall be allocated to each well using periodic well tests. Authorization for this type of production allocation is contingent upon common ownership between each of the wells and pools. If the interest ownership changes such that the interest is not common between the wells and/or pools, the applicant shall notify the Division and the Division shall amend this order or take such action that may be necessary to protect correlative rights.

NOTE: It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the supervisor of the Aztec district office prior to implementation of this commingling operation.

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DONE at Santa Fe, New Mexico, on this 9th day of June 2003.

Division Director

LW/wvjj

Oil Conservation Division - Aztec cc:

Bureau of Land Management – Albuquerque