

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



May 16, 2019

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-571

XTO Energy, Inc.
Attention: Tracie Cherry

Pursuant to your application received on April 25, 2019, XTO Energy, Inc. (OGRID 5380) is hereby authorized to surface commingle oil and gas production and off-lease measure from the following pools:

| | |
|--------------------------------------|---------|
| NASH DRAW; DELAWARE/BS (AVALON SAND) | (47545) |
| FORTY NINER RIDGE; BONE SPRING W | (96526) |
| PURPLE SAGE; WOLFCAMP | (98220) |
| WC-015 G-05 S233031K; WOLFCAMP | (98241) |

and from wells, their associated leases, and pools identified in the application, Exhibit "A" made a part of this order. These wells are located on state leases and state Communitization agreements located in, Township 23 South, Range 29 East, and Township 23 South, Range 30 East NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The following represents the minimum standards approved by Hearing Order R-14299. Applicant may use more stringent measurement methods at their own discretion.

It is understood that the test separator and meters are designed to accurately measure production from the wells with the highest production rate. It is also assumed that all the oil and gas production from the wells in this application will display a hyperbolic decline and will fit the decline parameters described in Hearing Order R-14299. Wells that are in "prior- to" Range 1 of decline shall be tested daily. Wells that are in Range 1 of decline shall be measured with a combination of metering and well testing and shall be tested at least three times a month. Wells that are in Range 2 of decline shall be measured with a combination of metering and well testing and shall be tested at least twice a month. Wells in Range 3 of decline shall be measured with a combination of metering and well testing and shall be tested at least once a month.

The commingled oil production from the wells detailed above shall be measured and sold at the Remuda 500 Central Tank Battery (CTB), located in Unit E of Section 25, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

For future additions of wells, leases, and pools to this commingling operation, notice shall only be given to those interest owners in the wells, leases or pools to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

XTO Energy, Inc. shall provide a Sundry Notice to the Engineering Bureau in Santa Fe when a test separator is removed.

This approval is subject to like approval from the New Mexico State Land Office before commencing commingling operations.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.



Adrienne Sandoval
Director

AS/mam

cc: Oil Conservation Division – Artesia
New Mexico State Land Office – Oil, Gas, and Minerals

Exhibit A

Exhibit A; XTO Remuda Wells

| Well Name | API | Horizontal Spacing Unit | Pool | Lease | Range of Decline |
|----------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|------------------------------------------------------------|------------------|
| Remuda North 25 State 101H | 30-015-44313 | W/2 Section 24 and NW/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | 2 |
| Remuda North 25 State 103H | 30-015-44314 | W/2 Section 24 and NW/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | 2 |
| Remuda North 25 State 105H | 30-015-44315 | E/2 Section 24 and NE/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda North 25 State 107H | 30-015-44305 | E/2 Section 24 and NE/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda North 25 State 121H | 30-015-44306 | W/2 Section 24 and NW/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | 2 |
| Remuda North 25 State 122H | 30-015-44307 | W/2 Section 24 and NW/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | 2 |
| Remuda North 25 State 123H | 30-015-44308 | W/2 Section 24 and NW/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | 2 |
| Remuda North 25 State 124H | 30-015-44310 | W/2 of Section 24 and NW/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | 2 |
| Remuda North 25 State 125H | 30-015-44311 | E/2 of Section 24 and NE/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda North 25 State 126H | 30-015-44312 | E/2 of Section 24 and NE/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda North 25 State 127H | 30-015-44304 | E/2 of Section 24 and NE/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda North 25 State 128H | 30-015-44309 | E/2 of Section 24 and NE/4 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda North 25 State 168H | 30-015-Pending | | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda North 25 State 906H | 30-015-44232 | W/2 E/2 of Section 24 and W/2 NE/4 of Section 25 | Forty Niner Ridge; Bone Spring W (96526) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda South 25 State 101H | 30-015-44364 | SW/4 of Section 25 and W/2 of Section 36 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda South 25 State 103H | 30-015-44359 | SW/4 of Section 25 and W/2 of Section 36 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | 2 |
| Remuda South 25 State 107H | 30-015-44357 | SE/4 of Section 25 and E/2 of Section 36 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda South 25 State 121H | 30-015-44361 | SW/4 of Section 25 and W/2 of Section 36 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda South 25 State 122H | 30-015-44360 | SW/4 of Section 25 and W/2 of Section 36 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | 2 |
| Remuda South 25 State 123H | 30-015-44389 | SW/4 of Section 25 and W/2 of Section 36 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | 2 |
| Remuda South 25 State 124H | 30-015-44390 | SW/4 of Section 25 and W/2 of Section 36 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda South 25 State 128H | 30-015-44394 | SE/4 of Section 25 and E/2 of Section 36 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda South 25 State 167H | N/A | E/2 of Section 24 and E/2 of Section 25 | Purple Sage; Wolfcamp (Gas) (98220) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda South 25 State 908H | 30-015-44253 | E/2 SE/4 of Section 25 and E/2 E/2 of Section 36 | Nash Draw; Delaware/BS (Avalon Sand) (47545) | Remuda North 25 State 101H State Communitization Agreement | N/A |
| Remuda North 30 State 111H | 30-015-44400 | Lot 1/ UnitD, Lot 2/ Unit E, Lot 3/ Unit I, Lot 4 Unit M of Section 19, Lot 1/ UnitD, Lot 2/ Unit E of Section 30; Township 23 South, Range 30 East | WC-015 G-05 S233031K; Wolfcamp (98241) | New Mexico State Lease E0522909 | N/A |
| Remuda North 30 State 112H | 30-015-44327 | Lot 1/ UnitD, Lot 2/ Unit E, Lot 3/ Unit I, Lot 4 Unit M of Section 19, Lot 1/ UnitD, Lot 2/ Unit E of Section 30; Township 23 South, Range 30 East | WC-015 G-05 S233031K; Wolfcamp (98241) | New Mexico State Lease E0522909 | N/A |
| Remuda North 30 State 121H | 30-015-44402 | Lot 1/ UnitD, Lot 2/ Unit E, Lot 3/ Unit I, Lot 4 Unit M of Section 19, Lot 1/ UnitD, Lot 2/ Unit E of Section 30; Township 23 South, Range 30 East | WC-015 G-05 S233031K; Wolfcamp (98241) | New Mexico State Lease E0522909 | N/A |
| Remuda North 30 State 122H | 30-015-44401 | Lot 1/ UnitD, Lot 2/ Unit E, Lot 3/ Unit I, Lot 4 Unit M of Section 19, Lot 1/ UnitD, Lot 2/ Unit E of Section 30; Township 23 South, Range 30 East | WC-015 G-05 S233031K; Wolfcamp (98241) | New Mexico State Lease E0522909 | N/A |
| Remuda North 31 State 123H | 30-015-44414 | E/2 W/2 of Section 19, E/2 W/2 of Section 30, and E/2 NW/4 of Section 31; Township 23 South, Range 30 East | WC-015 G-05 S233031K; Wolfcamp (98241) | New Mexico State Lease E0522909 | N/A |
| Remuda North 31 State 124H | 30-015-44415 | E/2 W/2 of Section 19, E/2 W/2 of Section 30, and E/2 NW/4 of Section 31; Township 23 South, Range 30 East | WC-015 G-05 S233031K; Wolfcamp (98241) | New Mexico State Lease E0522909 | N/A |
| Remuda North 31 State 164H | 30-015-45310 | E/2 W/2 of Section 19, E/2 W/2 of Section 30, and E/2 NW/4 of Section 31; Township 23 South, Range 30 East | WC-015 G-05 S233031K; Wolfcamp (98241) | New Mexico State Lease E0522909 | N/A |

Wells assumed to be in Township 23 South, Range 29 East unless specified