

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**John Bemis**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



March 28, 2013

XTO Energy Inc.  
Attn: Mr. Cy Zimmerman

ADMINISTRATIVE NON-STANDARD PRORATION UNIT ORDER

**Administrative Order NSP-1963**  
**Administrative Application Reference No. pPRG1306434477**

**XTO Energy Inc.**  
OGRID 5380

**Subject Pool: Basin; Mancos (Gas) (Pool Code 97232)**

**Subject Units: NE/4 and N/2 NW/4 of Section 16**  
**NE/4 of Section 17**  
**Township 29 North, Range 14 West, San Juan County, New Mexico**

Reference is made to your application received on March 4, 2013.

You have requested an exception to Rule 19.15.15.11.B(2) NMAC, to approve two non-standard gas spacing and proration units, comprising 240 acres and 160 acres respectively, described above as the Subject Units. The Special Rules for the Basin Mancos Gas Pool provide that a standard spacing units in the Subject Pool shall consist of 320 acres and comprise the N/2, S/2, E/2 or W/2 of a governmental section. The proposed non-standard units are requested because portions of the N/2 of Section 16 and the N/2 of Section 17 are included in a separate Mancos Pool, such that a standard spacing unit in the Basin Mancos Gas Pool cannot be formed in either section.

Your application has been duly filed under the provisions of said Rule 19.15.15.11.B and Rule 19.15.4.12A(3) NMAC.

We understand that you are seeking this exception in order to establish a project area for a proposed horizontal well that will develop three quarter sections that straddle the boundary between the Subject Pool and the Cha Cha; Gallup Pool, a pool which cannot be expanded under the provisions of Order No. R-12984.

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It is also understood that you have given due notice of this application to all persons to whom notice is required by Rule 19.15.4.12.A(3) NMAC.

Pursuant to the authority conferred by Rule 19.15.15.11.B(2), the Subject Units are hereby approved.

The Subject Units shall be dedicated, along with the S/2 of the NE/4 of Section 16, which is located in the Cha Cha Gas Pool, as a project area, to the following well:

Ropco 16 Well No. 1H (API No. 30-045-35455) having a surface location 978 feet FNL and 1005 feet FEL (Unit A) of Section 16 and a bottom hole location 1950 feet FNL and 1925 feet FEL (Unit G) of Section 17.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jami Bailey", is written over a horizontal line.

Jami Bailey  
Director

JB/db

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