

10/06/2014 DATE IN	SUSPENSE	MAM ENGINEER	10/07/2014 LOGGED IN	PLC TYPE	PMAM142805813 APINO
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]

[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]

[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]

[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]

[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]

[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- PLC-404-A

- X TO ENERGY

256 965

Well

- Basin Federal

GAS COM A

30-045-25614

- Basin Federal 12

30-045-31679

Pool

- Basin Dakota

71599

- Basin Fruitland

Coal

71629

[1.] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A.] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B.] Commingling-Storage-Measurement

☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

[C.] Injection -Disposal -Pressure Increase- Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2.] NOTIFICATION REQUIRED TO: -Check Those Which Apply, or ☐ Dose Not Apply

[A.] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B.] Offset Operators, Leaseholders or Surface Owner

[C.] Application is One Which Requires Published Legal Notice

[D.] ☒ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E.] For all of the above, Proof of Notification or Publication is Attached, and/or,

[F.] Waivers are Attached

[3.] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4.] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kristen D. Babcock

Print or Type Name

Kristen D. Babcock

Signature

Regulatory Analyst

Title

9/29/2014

Date

Kristen_Lynch@xtoenergy.com



A Subsidiary of ExxonMobil

RECEIVED OGD

2014 OCT -6 P 2:00

382 CR 3100 Aztec, NM 87410
(505)333-3100 FAX: (505)333-3280

September 29, 2014

Mr. Michael McMilan
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Mr. Jim Lovato
Bureau of Land Management
1235 LaPlata Hwy
Farmington, NM 87401

Subject: Amendment to PLC-404 Surface Commingle
Bell Federal 12 #02 & Bell Federal Gas Com A #1E
Sec 12, T30N, R13W
San Juan County, NM

Dear Mr. McMilan & Mr. Jim Lovato:

XTO Energy Inc. requests permission for surface commingling of natural gas produced from the following wells: Bell Federal 12 #02 & Bell Federal Gas Com A #1E. These wells are located in Section 12-Township 30N-Range 13W UL E, in San Juan County, New Mexico.

XTO plans to produce the commingled gas through a central compressor, thus decreasing emissions, lowering operating expenses and extending the economic life of the wells. This increases the ultimate recoveries on all leases. The anticipated allocated fuel production and fuel usage for the compressor is noted in the attachments.

The *Bell Federal Gas Com A #1E* will be equipped with an allocation meter that will be maintained by XTO Energy in accordance with State and Federal Regulations (Onshore Order No. 5). Another allocation meter will be set downstream of the Bell Federal 12 #02 CDP. Production volumes for the *Bell Federal 12 #02* will be calculated by subtracting the CDP volume from the *Bell Federal Gas Com A #1E* volume. Produced liquids will not be surface commingled. Ownership for these two wells is diverse; therefore all interest owners have been notified via certified mail, return receipt, on September 29, 2014.

The following attachments are included with this application:

- Form C107B (application for surface commingle; diverse ownership)
- Map of all wells and their associated leases
- Form C-102 for each well (plats)
- Table of well with lease and agreement information, spacing, permits, gravities/BTU, MCF
- Schematic diagram showing all flowlines, compressors & equipment
- Details of allocation formula
- Letter to WI, NRI & ORRI owners & list of owners
- Administrative Application Checklist

Sincerely,

Kristen D. Babcock
Regulatory Analyst

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

AMENDED

2. Name of Operator

XTO Energy Inc.

3a. Address

382 CR 3100, AZTEC, NM 87410

3b. Phone No. (include area code)

505-333-3100

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE FOOTAGES BELOW - SWNW SEC.12 (E) - T30N-R13W N.M.P.M.

5. Lease Serial No.

NNMM000546

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MULTIPLE SEE BELOW

9. API Well No.

MULTIPLE SEE BELOW

10. Field and Pool, or Exploratory Area

BASIN DAKOTA

BASIN FRUITLAND COAL

11. County or Parish, State

SAN JUAN

NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other **SURFACE**

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

COMMINGLE

☐ Convert to Injection

☐ Plug Back

☐ Water Disposal

APPLICATION

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

BELL FEDERAL 12 #2 (FC) - API: 30-045-31679 - FOOTAGES: 1615' FNL & 900' FWL CA#: NNMM104938

BELL FEDERAL GAS COM A #1E (DK) - API: 30-045-25614 - FOOTAGES: 1620' FNL & 930' FWL - CA#: NNMM073826

XTO Energy Inc proposes to surface commingle the above per the attached documents.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

KRISTEN D. BABCOCK

Title **REGULATORY ANALYST**

Signature **Kristen D. Babcock**

Date **9/29/2014**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: XTO Energy, Inc.

OPERATOR ADDRESS: 382 CR 3100, Aztec, NM 87410

APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. PLC-192-A
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
Basin Dakota (71599)				
Basin Fruitland Coal (71629)				

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Kristen D. Babcock TITLE: REGULATORY ANALYST DATE: 9/29/14

TYPE OR PRINT NAME KRISTEN D. BABCOCK TELEPHONE NO.: 505-333-3206

E-MAIL ADDRESS: kristen_babcock@xtoenergy.com

OIL CONSERVATION DIVISION

P. O. BOX 2048

SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

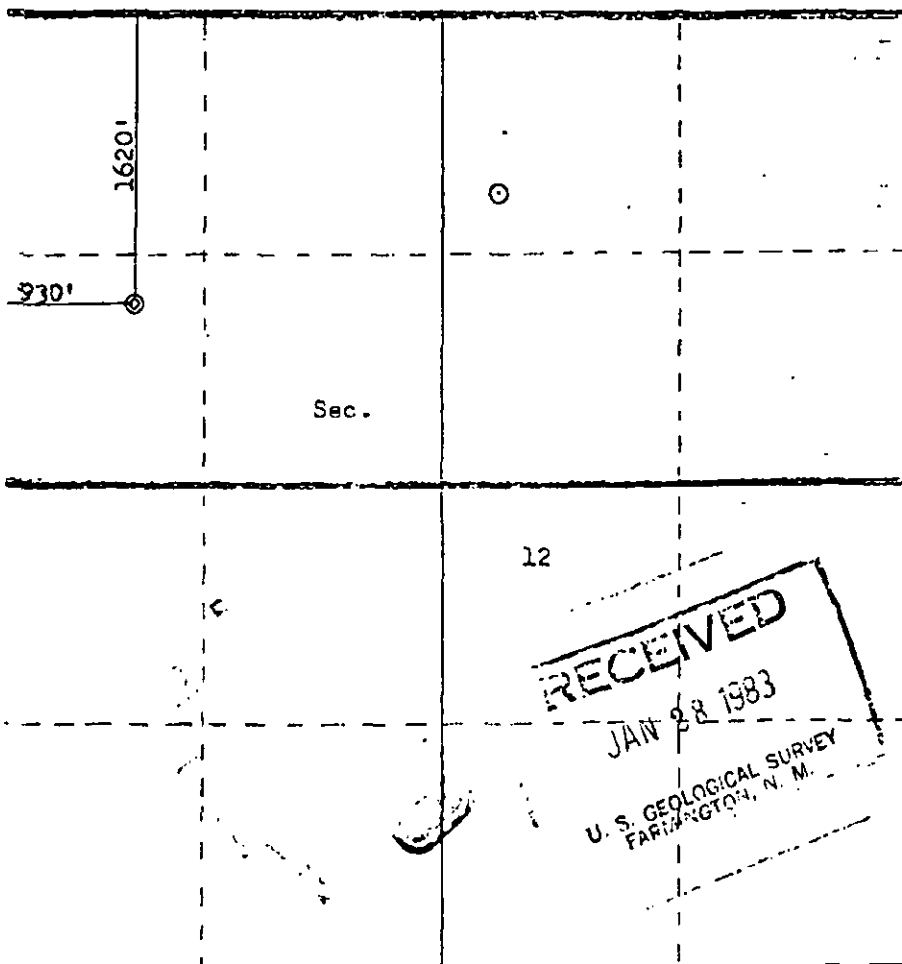
Operator AMOCO PRODUCTION COMPANY			Lease BELL FEDERAL GAS CO. "A"		Well No. 1E
Section 12	Township 30N	Range 13W	County San Juan		
Actual Footage Location of Well: 620 feet from the North line and 930 feet from the West line					
Surface Level Elev: 782	Producing Formation Dakota	Pool Basin Dakota	Dedicated Acreage: N 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

D. H. Shoemaker

Name

D. H. SHOEMAKER

Position

DISTRICT ENGINEER

Company

AMOCO PRODUCTION COMPANY

Date

JANUARY 11, 1983

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

December 20, 1982

Registered Professional Engineer
and Land Surveyor*Fred B. Kerr Jr.*
Fred B. Kerr Jr.

Certificate No. 4822, N.M.

3950

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
P.O. Drawer 00, Artesia, N.M. 88211-0710

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
PO Box 2068, Santa Fe, NM 87504-2068

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

AP# Number 30-045-31679		Pool Code 71629	Pool Name Basin Frontland Coal
Property Code 27787	Property Name BELL FEDERAL 12		Well Number 2
GRID No. 1167067	Operator Name XTO ENERGY INC.		Elevation 5787

10 Surface Location

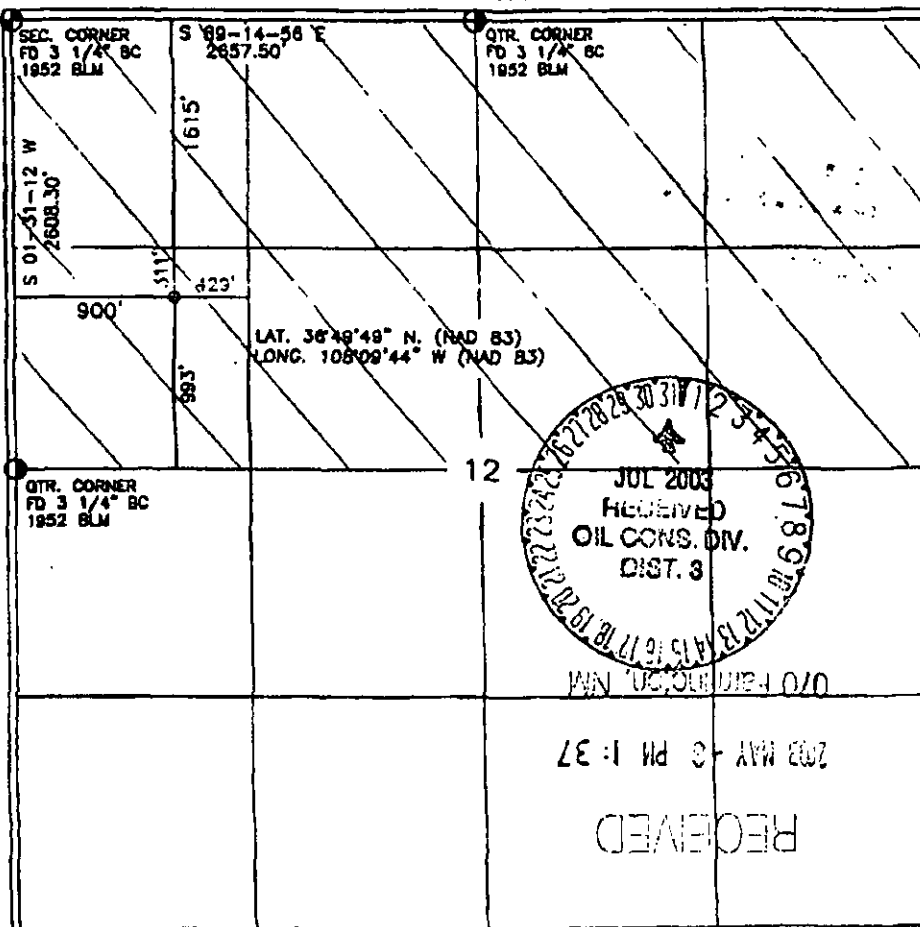
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	12	30-N	13-W		1615	NORTH	900	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320 N/2		Joint or Infill I		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
JEFFREY W. PHITON
Printed Name
DRILLING ENGINEER
Title
3-7-03
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

3-04-03
Date of Survey
Signature of Registered Professional Surveyor
14827
REGISTERED PROFESSIONAL SURVEYOR
Certificate Number

Bell Federal_ CDP

Proposed Allocation Procedure

Base Data:

W = Gas Volume (Mcf) from allocation meters at individual wells during allocation period

X = Gas Volume (Mcf) from CDP Sales Meter during allocation period

Y = BTU's from CDP Sales Meter during allocation period

Allocation Period is typically a calendar month and will be the same for all wells.

1. Individual Well Gas Production = A + B + C + D + E

A = Allocated Sales Volume, Mcf = $(W / \text{SUM } W) \times X$
(individual well volume divided by the sum of the well volumes; multiplied by total from CDP)

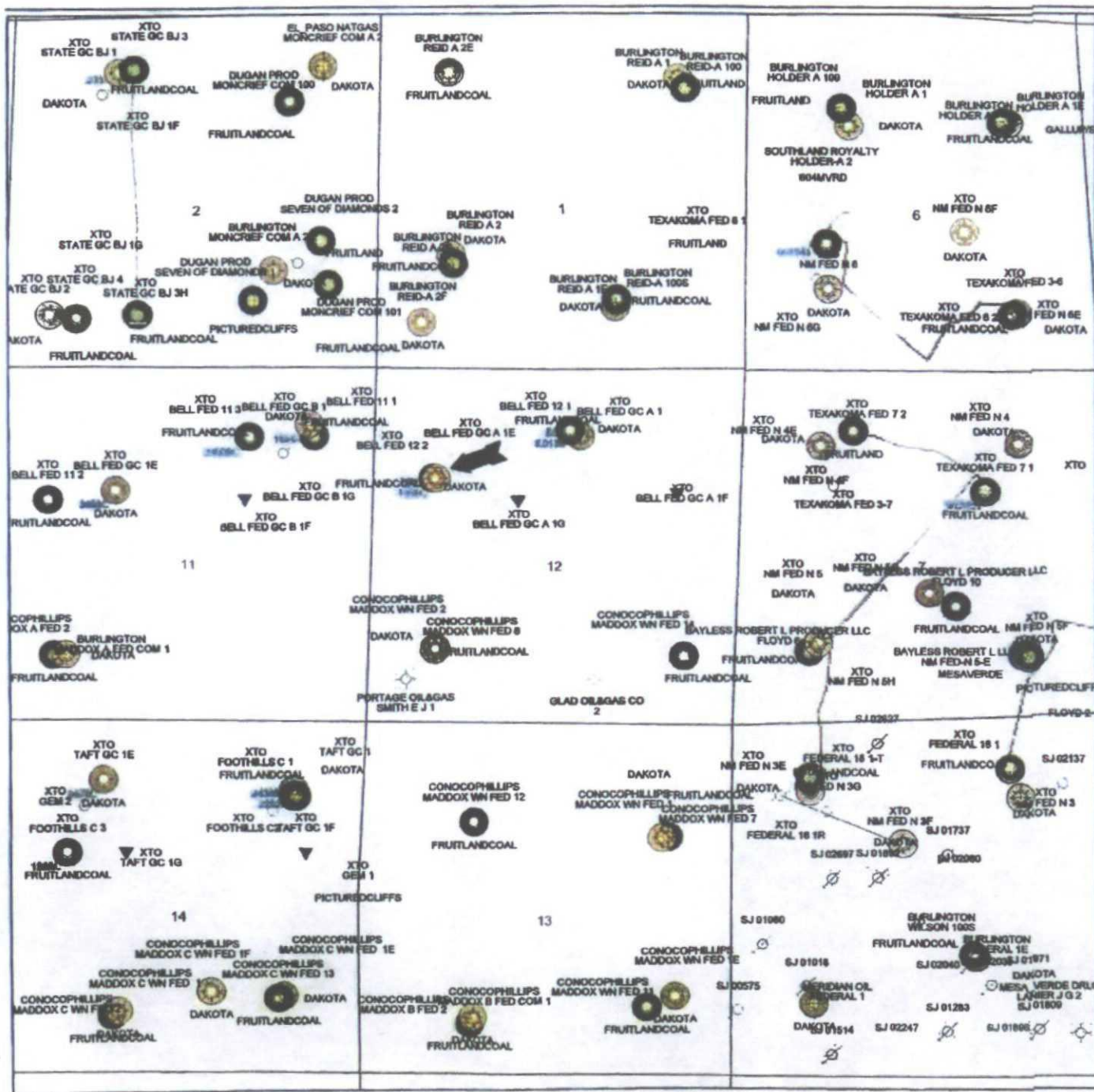
B = On lease fuel usage, Mcf. Determined from equipment specifications and operating conditions.

C = Purged and/or vented gas from well and/or lease equipment, Mcf. Calculated using equipment specifications and pressures.

D = Allocated fuel from gathering system equipment. The total fuel required to operate gathering system equipment will be allocated to the individual wells benefiting from the equipment using allocation factors determined by $W / \text{SUM } W$ for the wells involved.

E = Allocated volume of gas lost and/or vented from the gathering system and/or gathering system equipment, Mcf. The total volume will be determined using industry accepted procedures for the conditions existing at the time of the loss. All volumes corresponding to liquid condensation within the gathering system will also be determined. The total volume lost and/or vented will be allocated to the individual wells affected using factors determined by $W / \text{SUM } W$.

2. Allocated Individual Well BTU's = $((W \times \text{Individual well BTW} / \text{SUM } (@ \times \text{individual well BTU})) \times Y$. Individual well gas heating values to be determined in accordance with BLM regulations (currently Onshore Order #5).



XTO ENERGY, INC.

BELL FED GC A 01E & BELL FED 12-02

SJ Basin H2O.OVI

Sec. 12-T30N-R13W

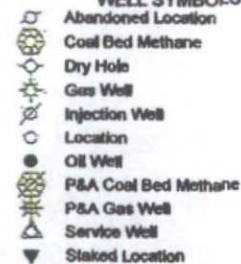
POSTED WELL DATA

Operator
Well Label
ProdFM

ATTRIBUTE MAP



WELL SYMBOLS



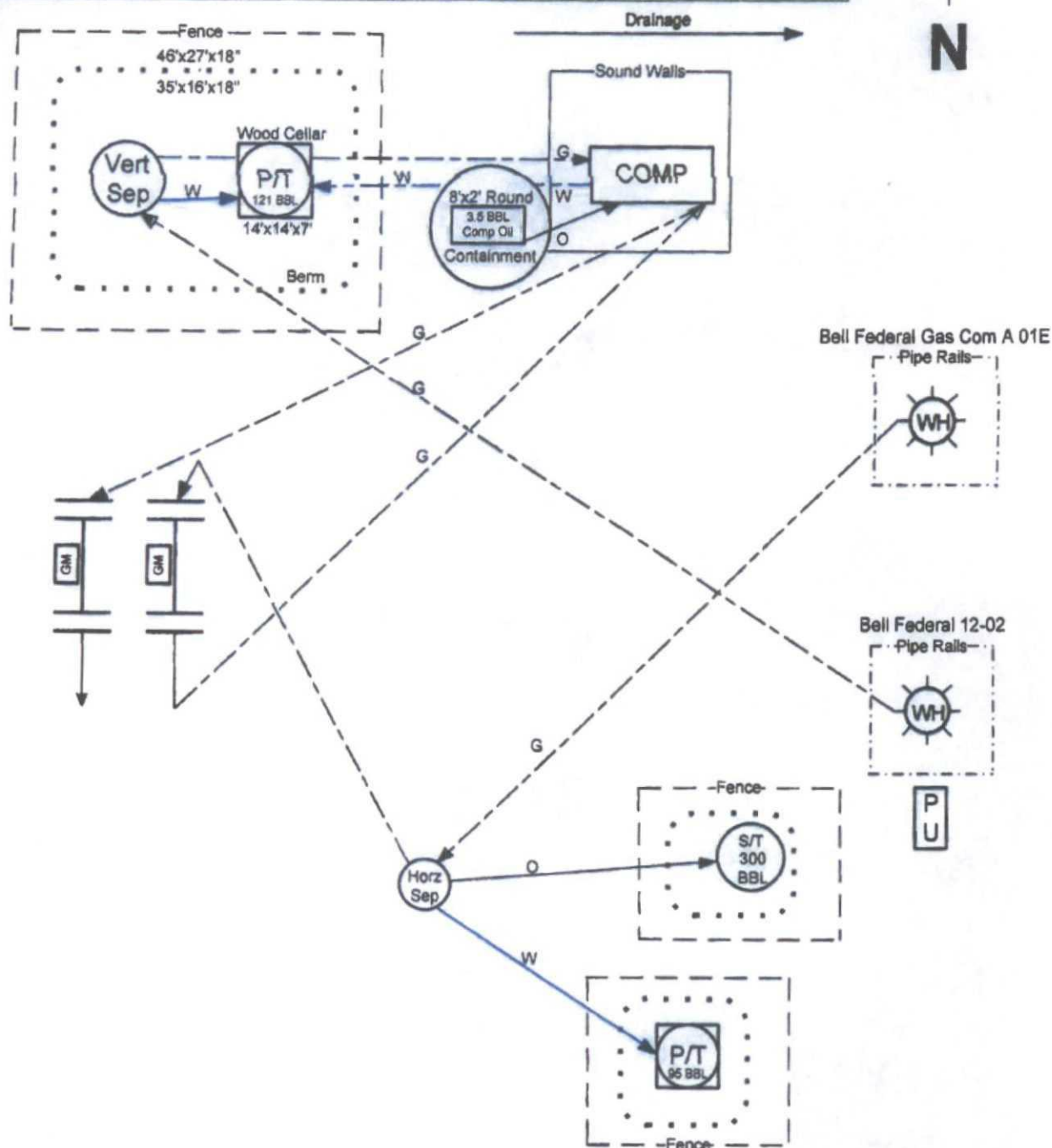
By: mk for BRB



July 10, 2014

Well Name: Bell Federal 12-02
 Field: San Juan County NM
 Lease #: NM-0546, API # 30-045-31679
 Section: SW/NW Sec. 12 (E), T-30N, R-13W
 CA # If Applicable: ~~N/A~~ NMNM164938
 Updated: 7/25/2014

Well Name: Bell Federal Gas Com A 01E
 Field: San Juan County NM
 Lease #: NM-0546, API # 30-045-25614
 Section: SW/NW Sec. 12 (E), T-30N, R-13W
 CA # If Applicable: NMNM073826
 Updated: 7/25/2014



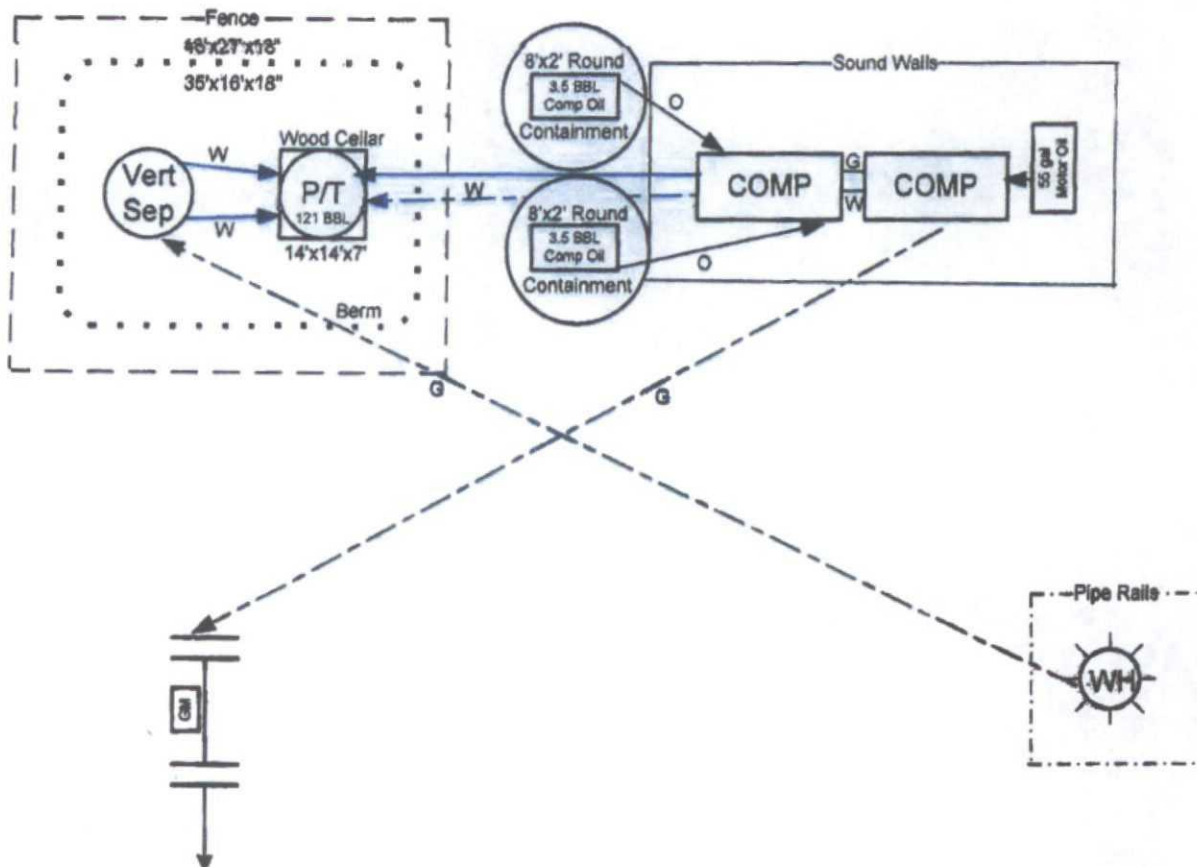
Production
 Gas
 Oil
 Water
 Equalizing Line
 Catch Basin

General sealing of valves, sales by tank gauging
 Production phase: Drain valve D1 and sales valve S1 sealed closed.
 Sales phase: Drain valve D1 sealed closed. Sales valve S1 open.
 Draining phase: Drain valve D1 open. Sales valve S1 closed.

This lease is subject to the site security plan for San Juan Basin Area. The plan is located at:
 XTO ENERGY INC.
 382 Road 3100
 Aztec, NM 87410

Well Name: Bell Federal 12 #2
 Field: San Juan County NM
 Lease #: Lease # NM-0546, API # 30-045-31679
 Section: SW/NW Sec. 12 (E), T-30N, R-13W
 CA # If Applicable: ~~NM~~ NMNM 104938
 Updated: 2/15/2010

Drainage



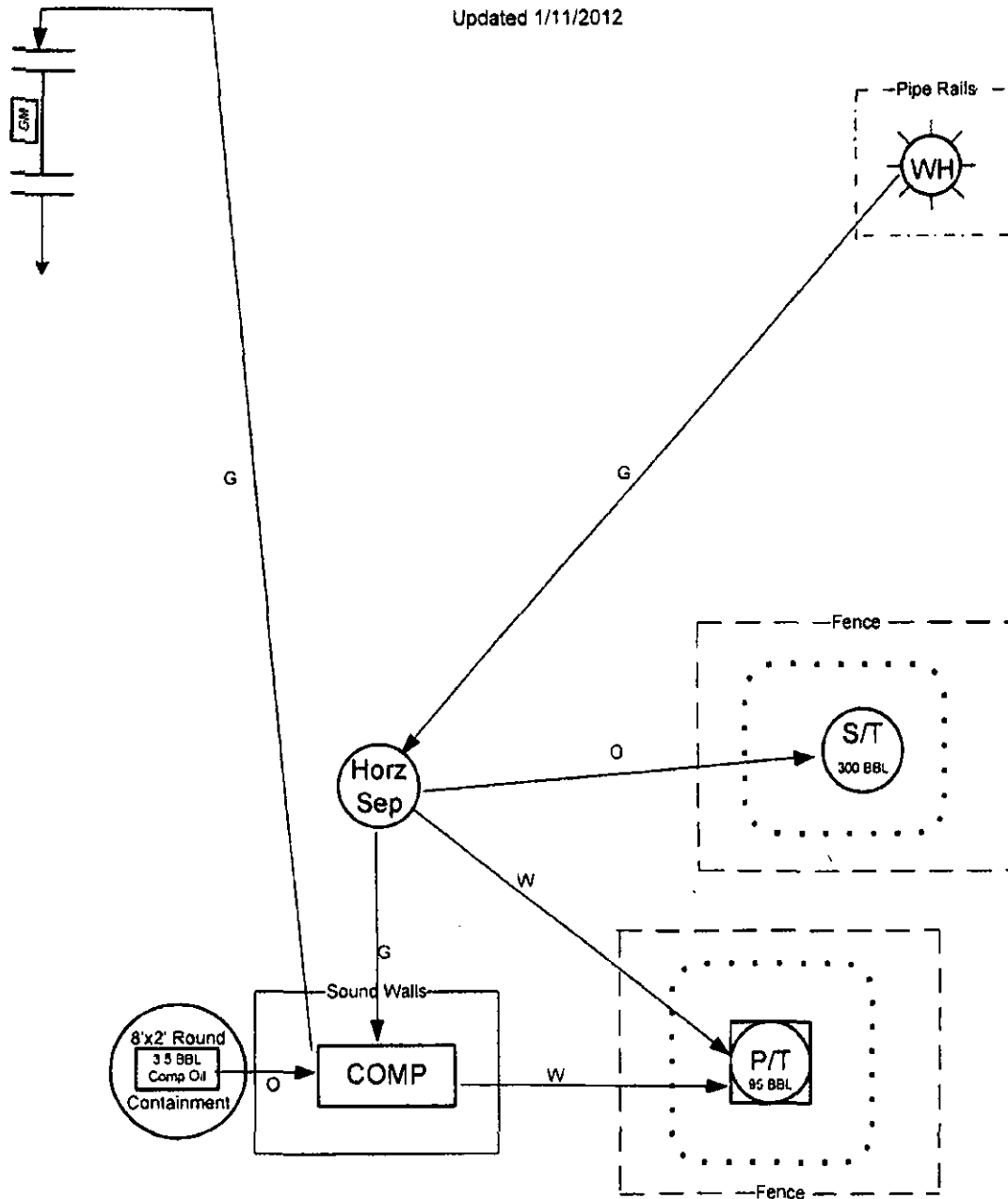
Production
 Gas
 Oil
 Water
 Equalizing Line
 Catch Basin

General sealing of valves, sales by tank gauging
 Production phase: Drain valve D1 and sales valve S1 sealed closed.
 Sales phase: Drain valve D1 sealed closed. Sales valve S1 open.
 Draining phase: Drain valve D1 open. Sales valve S1 closed.

This lease is subject to the site security plan for San Juan Basin Area. The plan is located at:
 XTO ENERGY INC.
 382 Road 3100
 Aztec, NM 87410

XTO ENERGY, INC
BELL FEDERAL GAS COM A #1E
SW/4 NW/4 Sec 12, T30N, R13W, Unit E
LEASE: NMNM-0546
COMM AGREEMENT: NMNM-73826
API#: 30-045-25614

Updated 1/11/2012



General sealing of valves, sales by tank gauging
 Production phase: Drain valve D1 and sales valve S1 sealed closed.
 Sales phase: Drain valve D1 sealed closed. Sales valve S1 open.
 Draining phase: Drain valve D1 open. Sales valve S1 closed.

This lease is subject to the site security plan for San Juan Basin Area. The plan is located at:
 XTO ENERGY INC.
 382 Road 3100
 Aztec, NM 87410

WELL INFORMATION

[illegible]

Compressor Information		
Location:	Bell Federal 12-2 CDP	
Property #	68822	
XTO Compressor #	1990C	
Lat/Long:	36.83025	-108.16175
Manufacturer:	CATERPILLAR	
Engine:	G3306NA	
Horse Power:	145	
Fuel Usage:	30	mcf/d
DK	50	mcf/d
FC	85	mcf/d

Well	Pumping Unit		Separator(s)		Vented Gas (mcfpd)
	Engine	Fuel Usage (mfcfd)	Burners (y/n)	Fuel Usage (mcfpd)	
Bell Federal GC A 1E	None	0	Y	5.7	0.0
Bell Federal 12-2	Arrow C-66	3.8	Y	5.7	0.0



382 CR 3100
Aztec, NM 87410

September 29, 2014

Dear Interest Owner

Subject: Amended Notice to Working and Royalty Interest Owners
Application to Surface Commingle Gas Production
San Juan County, New Mexico

XTO Energy Inc. is applying to the New Mexico Oil Conservation Division (NMOCD) for approval to surface commingle gas production from the Bell Federal 12 #2 Gas Well and Bell Federal Gas Com A #1E Gas Well. NMOCD requires that all interest owners be notified of plans to surface commingle when ownership is different between wells.

Produced gas from the Bell Federal Gas Com A #1E will be equipped with an allocation meter that will be maintained by XTO Energy in accordance with State and Federal Regulations. Another allocation meter will be set downstream of the Bell Federal 12 #2 CDP. Production volumes from the Bell Federal 12 #2 will be calculated by subtracting the CDP volume from the Bell Federal Gas Com A #1E volume. Produced liquids will not be surface commingled. In the future, additional wells, pools, and acreage may be added to this surface commingle or this gathering system.

If you need additional information, or have any questions, please contact me at (505) 333-3206. If you have an objection to our application, you must file a protest in writing to the NMOCD Santa Fe office at 1220 South Saint Francis Drive, Santa Fe, NM 87505 within 20 days from the date of this letter. If there are no objections raised, an application will be submitted to NMOCD at that time.

Sincerely,

A handwritten signature in black ink that reads 'Kristen Babcock'. The signature is written in a cursive, flowing style.

Kristen Babcock
Regulatory Analyst

Xc: Well Files
FW Land Department

CERTIFIED MAIL™ RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com**OFFICIAL USE**

Postage \$

Certified Fee

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(Endorsement Required)Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$

Sent
Street or PO City, State or ZIP+4[®]
Christina Olga Boulden
Ilse Beyer AIF Sift AM Drieierskamp
DR -Sasse STR 14
28865 Lilienthal, Germany

PS Form Instructions

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(Endorsement Required)Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$

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Street or PO City, State or ZIP+4[®]
Maddox Properties LLC
Jim Maddox & Michael R Maddox
PO Box 40713
Albuquerque, NM 87196-0713

PS Form Instructions

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(Endorsement Required)

Total Postage & Fees \$

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Street or PO City, State or ZIP+4[®]
Lucile Kathleen Posey
27341 Curtis Willie Rd
Folsom, LA 70437

PS Form Instructions

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Return Receipt Fee
(Endorsement Required)Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$

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Reggie Waldren Rev Tr
82 Washington Pl #6E
New York, NY 10011

PS Form Instructions

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Return Receipt Fee
(Endorsement Required)Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$

Sent
Street or PO City, State or ZIP+4[®]
Susan C Young
1270 Cedar Dr.
Southold, NY 11971

PS Form Instructions

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(Endorsement Required)Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$

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Street or PO City, State or ZIP+4[®]
John Randolph Tims Posey
387 Stratford Road
Asheville, NC 28804

PS Form Instructions

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(Domestic Mail Only; No Insurance Coverage Provided)

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C/O True Oil Company
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Casper, WY 82602-2360

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James F Piper & Sandi C Piper
AB Living Trust
42 CR 3133
Aztec, NM 87410-9353

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63 Birdsong Way Apt B104
Hilton Head Island, SC 29926

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Carol's Share LLC
Attn: Carol Whitlock
44 CR 3133
Aztec, NM 87410-9535

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Virginia P. Samuel
932 Cactus Circle
Killeen, TX, 76542-5034

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(Endorsement Required)
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or PO Box
City, State
Ernest Maurice Posey
6841 Wuerpel St.
New Orleans, LA 70124

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7012 1010 0002 9430 0075

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City

James F & Jill A Bell
504 White Surf Dr #D
Gaithersburg, MD 20878-2937

PS Form 3800, April 2008

Instructions

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

Jami Bailey, Division Director
Oil Conservation Division



September 24, 2014

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-404
Administrative Application Reference No. pMAM1423457334

XTO ENERGY, INC.
Attn: Ms. Kristen Babcock

Pursuant to your application received on August 22, 2014, XTO Energy Inc. (OGRID 256965) is hereby authorized to surface commingle gas production from the following pools located in Section 12, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico;

Basin Dakota (Prorated Gas)	(71599)
Basin Fruitland Coal (Gas)	(71629)

and from the following diversely owned wells located on federal lease in said Section, Township, and Range in San Juan County, New Mexico:

<u>Well Name</u>	<u>API No.</u>	<u>Unit Letter</u>	<u>Dedicated Acreage</u>
Bell Federal Gas Com "A" No. 1E	30-045-25614	E	N/2
Bell Federal 12 No. 2	30-045-31679	E	N/2

It is our understanding that ownership is diverse between these wells and/or pools, that notice has been provided to interest owners in the unit, as defined in Rule 19.15.4.12 A (8) NMAC.

The commingled gas production shall be measured and sold at the Bell Federal Gas Com "A" No. 1E (CTB) located in Unit E, Section 12, Township 13 North, Range 13 West, San Juan County, NMPM, New Mexico.

Gas production from each well shall be separately metered before commingling with production from other wells. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

The operator shall notify the transporter of this commingling authority.

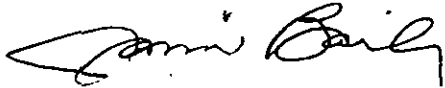
September 24, 2014

Page 2

The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

This approval is subject to like approval from the United States Bureau of Land Management before commencement of the commingling operations.

DONE at Santa Fe, New Mexico, on September 24, 2014.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey
Division Director

JB/mam

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

McMillan, Michael, EMNRD

From: Dean, David <David_Dean@xtoenergy.com>
Sent: Wednesday, September 24, 2014 8:06 AM
To: McMillan, Michael, EMNRD
Cc: Babcock, Kristen
Subject: RE: Bell Federal 12-2 & Bell Federal Gas Com A #1E Diverse Ownership

Mr. McMillan,

I have reviewed ownership for these two wells, and it is my determination that ownership is diverse. Both the Bell Federal 12-2(FC) and the Bell federal Gas Com A 1E(DK) are spaced for the N2 of Sec 12-30N-13W. Ownership became diverse when Amoco (now XTO) and True Oil entered into a tax agreement that only covered the DK zone. If you have any further questions, please advise.

Sincerely,

D. Jackson Dean
Associate Landman – Rockies Division (San Juan)
XTO Energy Inc.
810 Houston Street
Fort Worth, Texas 76102
Phone: 817.885.6676 | Fax: 817.885.1938 | Mobile: 682.215.7065
david_dean@xtoenergy.com

An **ExxonMobil** Subsidiary

From: Babcock, Kristen
Sent: Tuesday, September 23, 2014 4:05 PM
To: Dean, David
Cc: McMillan, Michael, EMNRD (Michael.McMillan@state.nm.us)
Subject: Bell Federal 12-2 & Bell Federal Gas Com A #1E Diverse Ownership

Jackson Dean,

Michael McMillan with the NMOCD needs verification from you that these wells are of diverse ownership. He just needs a statement from you saying that they are.

Thank You!

KRISTEN BABCOCK
REGULATORY ANALYST
SAN JUAN DISTRICT OFFICE, WESTERN DIVISION
382 CR 3100, AZTEC, NM 87410
OFFICE (505) 333-3206

 **XTO**
ENERGY SUBSIDIARY OF EXXONMOBIL

Well_Name:	BELL FEDERAL 12 #2	API: 3004531679		
Location:	E-12-30.0N-13W 1615 FNL 900 FWL			
Operator	XTO ENERGY	INC	County:	San Juan

Year:	2014			
Pool Name:	BASIN FRUITLAND COAL (GAS)			
Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days Produced
January	0	3644	1190	31
February	0	3424	1060	28
March	0	3208	985	31
April	0	3196	1165	30
May	0	3092	1095	31
June	0	2988	1140	30
July	0	3240	1075	31
August	0	4209	1275	0
September	0	0	0	0
October	0	0	0	0
November	0	0	0	0
December	0	0	0	0
CUM	0	1257477		

Well_Name: BELL FEDEF API: 3004525614

Location: E-12-30.0N-13W 1620 FNL 930 FWL

Operator: XTO ENERGY INC

County:

San Juan

Land Type: Federal Well Type:

Gas

Year: 2014

Pool Name BASIN DAKOTA (PRORATED GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days Produced
January	3	1789	20	31
February	1	1631	0	28
March	5	1533	82	31
April	3	1851	0	30
May	2	1759	40	31
June	1	1693	0	30
July	1	1762	110	31
August	3	1623	0	0
September	0	0	0	0
October	0	0	0	0
November	0	0	0	0
December	0	0	0	0
CUM	2097	538692		