

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Tony Delfin**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



Administrative Order DHC-3897-A

Order Date: February 23, 2016

Application Reference Number: pMAM1605358072

XTO Energy Inc.  
382 CR 3100  
Aztec, NM 87410

Attention: Ms. Kristen Lynch

Jicarilla Apache Well No. 14G  
API No. 30-039-29658  
Unit K, Section 34, Township 26 North, Range 5 West, NMPM  
Rio Arriba County, New Mexico

Pool	BLANCO-MESAVERDE (PRORATED GAS)	Gas	(72319)
Names:	BASIN MANCOS	Gas	(97232)
	BASIN DAKOTA (PRORATED GAS)	Gas	(71599)

Reference is made to your recent application for an exception to Division Rule 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division Rule 19.15.12.11A. (6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the well shall be based on the subtraction method. The total well production minus the Blanco-Mesaverde (Prorated Gas) Pool and Basin Dakota (Prorated Gas) Pool shall be assigned to the Basin Mancos Pool. Further, the existing Basin Dakota and Blanco-Mesaverde oil and gas production shall be based on DHC 2273AZ percentages, along with expected future decline rates. The final production allocation percentages of oil and gas between these pools shall be supplied to the

Division's Engineering and Geological Services Bureau within 60 days following completion of this well or workover.

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12A.(6), is not required since the interest ownership between the zones to be commingled is common throughout.

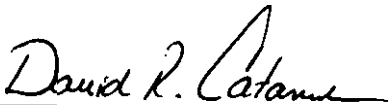
REMARKS: The operator shall notify the Aztec District office prior to implementation of the commingling operations.

This Order Supersedes Division Order DHC 2273AZ, issued on June 2, 2006.

This Order also supersedes Division Order DHC 3897, issued on May 30, 2007. The Basin Mancos Pool was never commingled with the two other pools. As a result, DHC 3897 was never in effect. Further, the Basin Mancos zone in the new application is for an organic shale, which has not been commingled in the surrounding area.

This Order is subject to like approval from the BLM.

Pursuant to Division Rule 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



**David R. Catanach**  
**Director**

DRC/mam

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