State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



April 25, 2017

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-461-A Administrative Application Reference No. pMAM1709450740

XTO Energy, Inc.

Attention: Ms. Cherylene Weston

Pursuant to your application received on April 4, 2017, XTO Energy, Inc. (OGRID 5380) is hereby authorized to surface commingle gas production from the following pools located in Section 16, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico;

BASIN FRUITLAND COAL (GAS)

(71629)

BASIN DAKOTA (PRORATED GAS)

(71599)

and from the following diversely owned state lease in said Section, Township, and Range in San Juan County, New Mexico.

Lease:

State lease E-8279

Description: N/2 of Section 16

Well:

State Gas Com BI Well No. 3

30-045-32288

Pool:

Basin Fruitland Coal (Gas)

Lease:

State lease E-8279

Description: N/2 of Section 16

Well:

State Gas Com BI Well No. 1E

30-045-25252

Pool:

Basin Dakota (Prorated Gas)

The combined spacing units for these wells include the N/2 of Section 16, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico.

The commingled gas production from the wells detailed above shall be measured and sold at the State Gas Com BI Well No. 1E and State Gas Com BI Well No. 3 shared Central Tank Battery

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(CTB) located in Unit A of Section 16, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico.

Production from the subject wells shall be determined as follows:

The wells shall be measured with a combination of metering and subtraction. State Gas Com BI Well No. 1E shall be metered continuously prior to commingling with the State Gas Com BI Well No. 3. Production from the State Gas Com BI Well No. 3 shall be determined by subtracting the metered production at the central delivery point minus the metered production at the State Gas Com BI Well No. 1E.

No commingling of liquids shall occur.

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

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.

This administrative order supersedes administrative order PLC-461, issued on February 9, 2017. This amended administrative order permits allocation using a combination of metering and subtraction for the State Gas Com BI Well No. 3.

The operator shall notify the transporter of this commingling authority.

Commingling authority is subject to like approval from the New Mexico State Land Office.

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

DONE at Santa Fe, New Mexico, April 25, 2017.

DAVID R. CATANACH

Director

DRC/mam

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