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-460-A Administrative Application Reference No. pMAM1709451021

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 31 North, Range 12 West, NMPM, San Juan County, New Mexico;

BASIN FRUITLAND COAL (GAS)
AZTEC PICTURED CLIFFS (GAS)

(71629) (71280)

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 B-11370

Description:

N/2 and NE/4 of Section 16

Well:

State Gas Com N Well No. 2

30-045-32659

Pool:

Basin Fruitland Coal (Gas)

Aztec Pictured Cliffs (Gas)

Lease:

State lease B-11370

Description:

N/2 of Section 16

Well:

State Gas Com BA Well No. 1

30-045-10759

Pool:

Basin Dakota (Prorated Gas)

The combined spacing units for these wells include N/2 of Section 16, Township 31 North, Range 12 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 BA Well No. 1 and State Gas Com N Well No. 2 shared Central Tank Battery

Administrative Order PLC-460-A XTO Energy, Inc. April 25, 2017 Page 2 of 2

(CTB) located in Unit G of Section 16, Township 31 North, Range 12 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 BA Well No. 1 shall be metered continuously prior to commingling with the State Gas Com N Well No. 2. Production from the State Gas Com N Well No. 2 shall be determined by subtracting the metered production at the central delivery point minus the metered production at the State Gas Com BA Well No. 1.

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-460, issued on January 5, 2017. This amended administrative order permits allocation using a combination of metering and subtraction for the State Gas Com N Well No. 2.

The operator shall notify the transporter of this commingling authority.

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