

RECEIVED: 4/04/2017	REVIEWER: MAM	TYPE: PLC	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: XTO Energy Inc. **OGRID Number:** 5380
Well Name: State Gas Com BA #1 & State Gas Com N #2 **API:** 30-045-10759 / 30-045-12659
Pool: Basin Dakota & Basin Fruitland Coal/Aztec Pictured Cliffs **Pool Code:** 71599 & 71629/71280

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

PLC-460-A

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
 B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 3) **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.

Cherylene L. Weston, Sr. Permitting Analyst

Print or Type Name

Cherylene L. Weston
 Signature

4-3-17
 Date

505-333-3190
 Phone Number

cherylene_weston@xtoenergy.com
 e-mail Address



XTO Energy Inc.
382 Road 3100
Aztec, New Mexico 87410
Office: 505.333.3100
Fax: 505.333.3280

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

RE: Amended Surface Commingle
State Gas Com BA #1 & State Gas Com N #2
SW/4 NE/4 Sec. 16, T31N, R12W
San Juan County, New Mexico

Dear Mr. McMillan:

XTO Energy Inc. (XTO) requests administrative approval for surface commingling of natural gas produced from the above wells located in San Juan County, New Mexico. Please note: Administrative Order PLC-460 was previously approved on January 5, 2017. The approved allocation method was not what XTO's intent was.

XTO plans to produce the commingled gas through a central compressor on the State Gas Com N #2 well, minimizing the footprint on the location, lowering compression expenses as well as keeping emissions and noise levels down. This increases the ultimate recoveries on all leases. The anticipated allocated production and fuel usage for the compressor is noted in the attachments.

The State Gas Com BA #1 well will be equipped with a meter that will be maintained by XTO Energy in accordance with State and Federal Regulations (Onshore Order No. 5). XTO will meter gas from the State Gas Com BA #1 well prior to entering the compressor on the State Gas Com N #2 well. The State Gas Com N #2 gas will be allocated after commingling with the State Gas Com BA #1 gas, using the subtraction method to allocate production for the State Gas Com N #2 well. Produced liquids will not be surface commingled. All interest owners have been notified via certified mail, return receipt, on April 3, 2017.

The following attachments are included with this application:

- Administrative Application Checklist
- State form C-107-B (application for surface commingle; diverse ownership)
- Map of all wells and their associated leases
- Form C-102 for each well (plats)
- Table of well & lease and agreement information, spacing, permits, gravities/BTU & MCF
- Schematic diagram showing all flowlines, compressors & equipment
- Details of allocation formula
- Copy of amended letter to WI, NRI & ORRI owners & proof of mailing

Sincerely,


Cheryl L. Weston, CPLTA
Senior Permitting Analyst

/clw

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., 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
OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Form C-107-B
Revised August 1, 2011

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 Road 3100, Aztec, NM 87410
APPLICATION TYPE:

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

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. PLC-460
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)					
Aztec Pictured Cliffs (71280)					

- (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 Cherylene L. Weston

TITLE: Sr. Permitting Analyst

DATE: 4-3-17

TYPE OR PRINT NAME Cherylene L. Weston

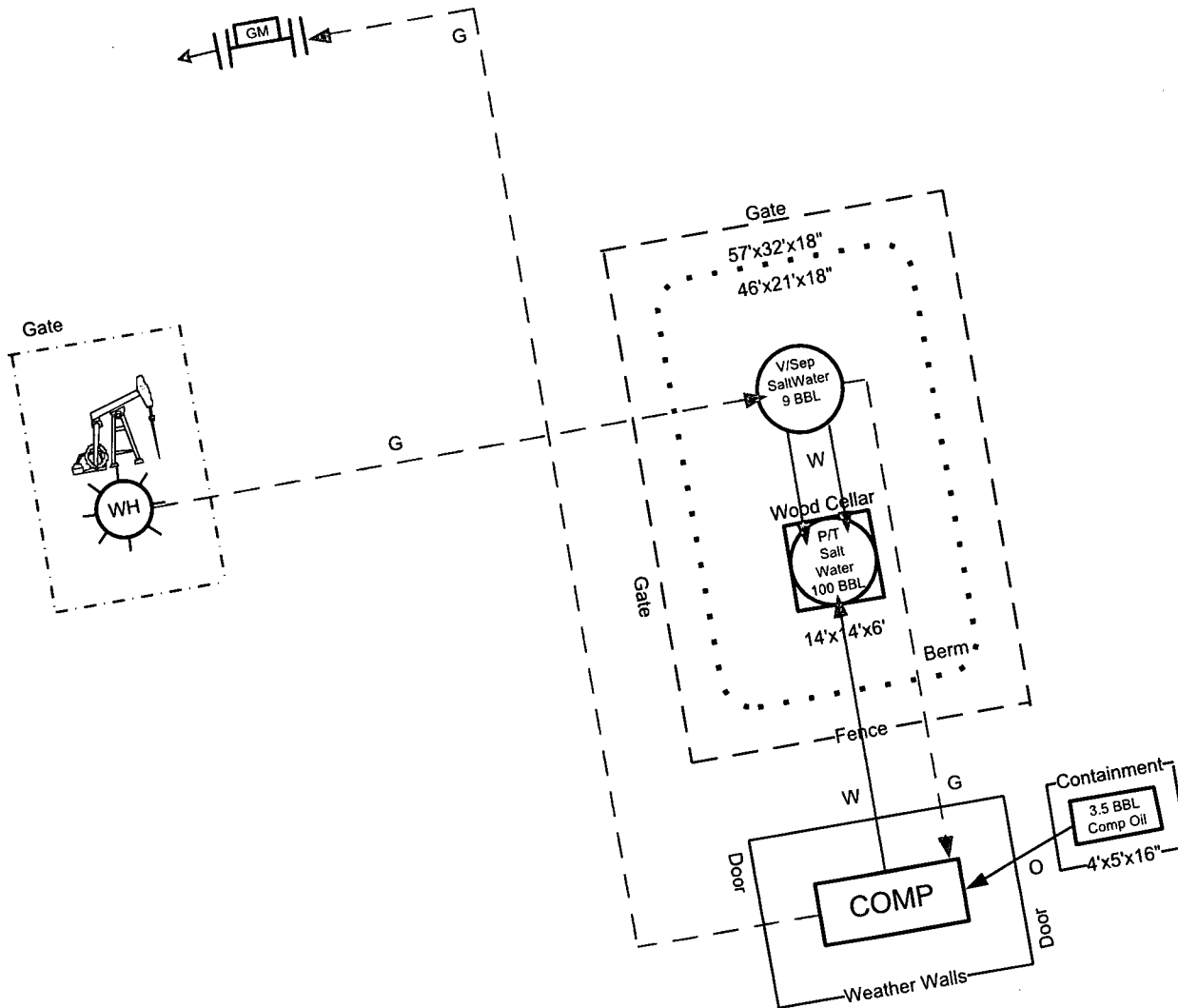
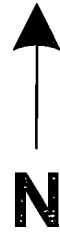
TELEPHONE NO: 505-333-3190

E-MAIL ADDRESS: cherylene.weston@xtoenergy.com


CURRENT

Well Name: State Gas Com N # 2
 Field: San Juan County NM
 Lease #: API # 30-045-32659
 Section: SW/NE Sec. 16 (G), T-31N, R-12W
 CA # If Applicable: N/A
 Updated: 1-12-2001

Drainage

Production

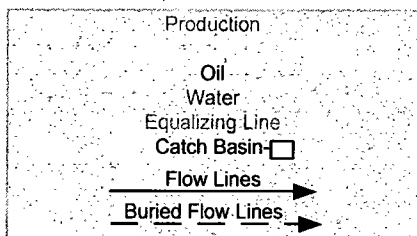
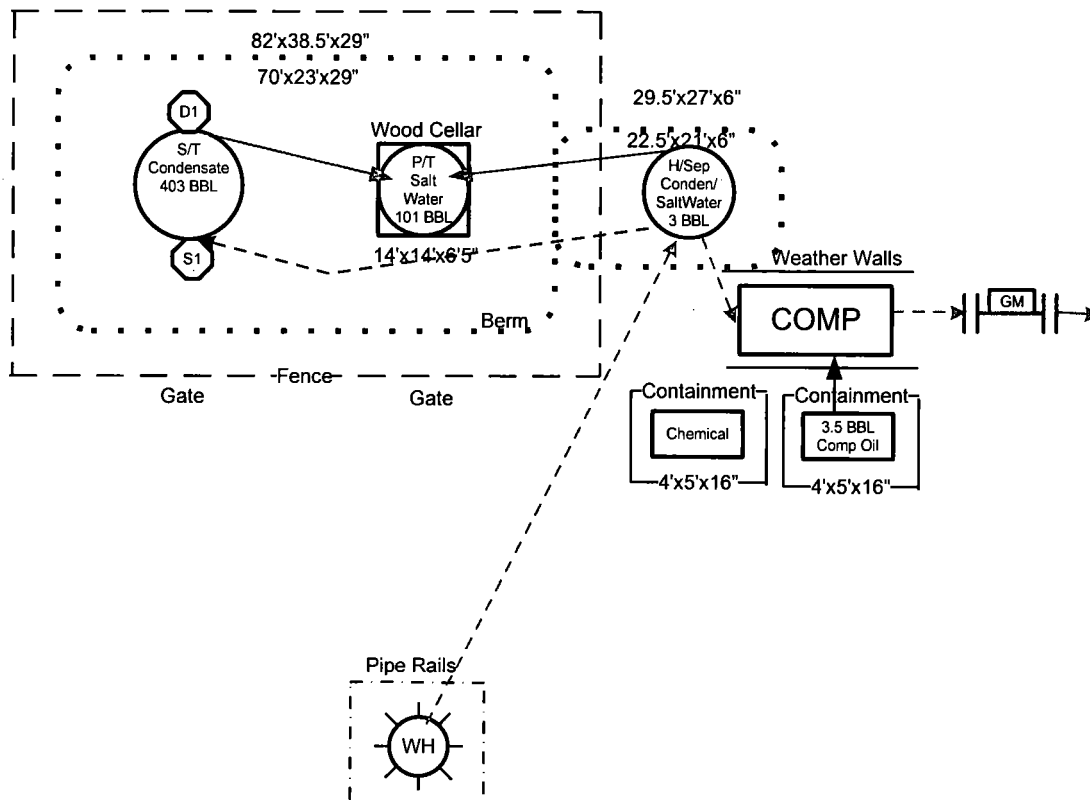
Oil
 Water
 Equalizing Line
 Catch Basin- 

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

Plot Plan/Facility Diagram	
Well Name:	State Gas Com BA # 1
Field:	San Juan County NM
Serial Number:	API # 30-045-10759
Section:	SW/NE Sec. 16 (G), T-31N, R-12W
Updated:	Logan Hixon 2016-3-5

CURRENT



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

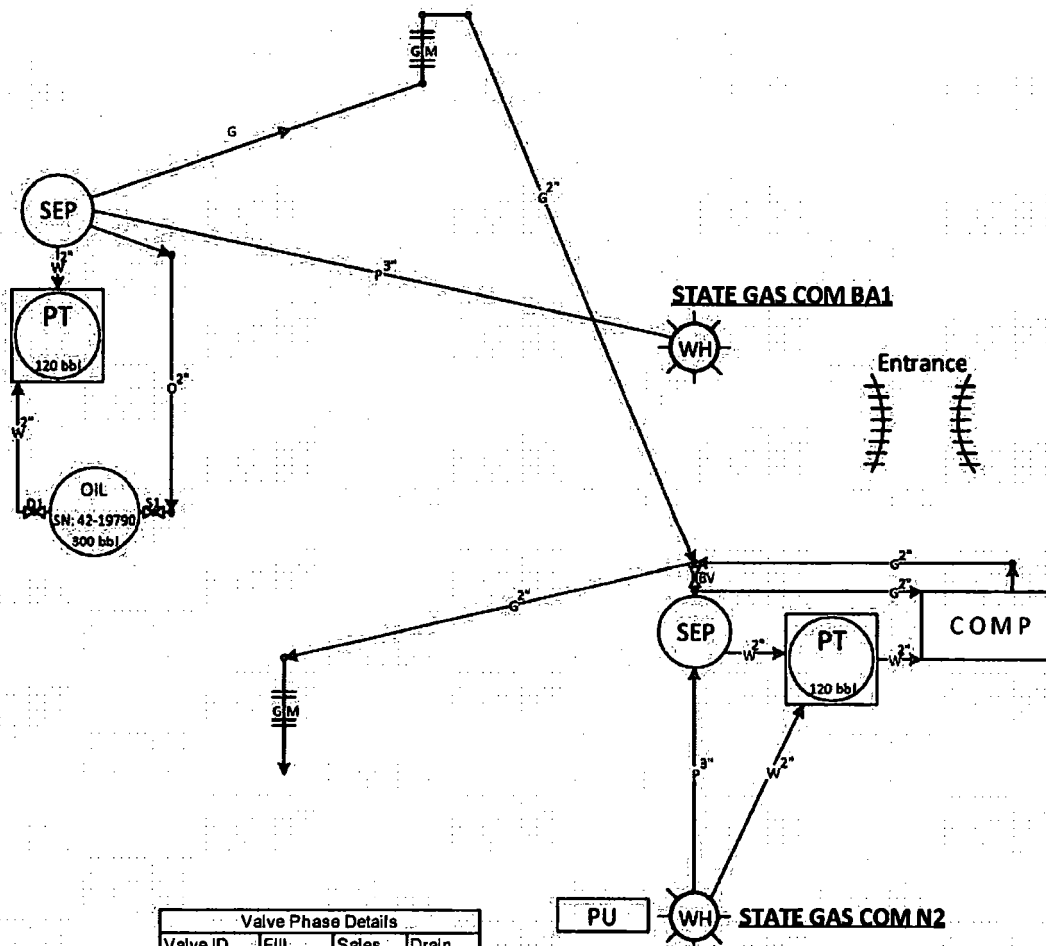
NOTES:

PROPOSED SURFACE COMMINGLE

Rev	By	Description	Date	Approval
1	PM	Site Facility Diagram	1/1/2015	



Entrance



Valve Phase Details			
Valve ID	Fill	Sales	Drain

O=Open, S/O= Sealed Open, C=Closed,
S/C=Sealed Closed, O/C=Opened or Closed

The plan is located at:
XTO Energy
9127 S. Jamaica St.
Englewood, CO 80112

STATE GAS COM BA1
SWNE SEC 16 T31N R12W
NAD27 Lat: 36.90125 Long: -108.09674
API # 30-045-10759
SAN JUAN COUNTY, NEW MEXICO

STATE GAS COM N2
SWNE SEC 16 T31N R12W
NAD27 Lat: 36.90117 Long: -108.09723
API # 30-045-32659
SAN JUAN COUNTY, NEW MEXICO

DISTRICT I
1826 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

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

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30015-32659	Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 22829	Property Name STATE GAS COM N	Well Number 2
OGWD No. 167067	Operator Name XTO ENERGY INC.	Elevation 6126'

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
G	16	31-N	12-W		1790	NORTH	1600	EAST	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 M12	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

<p>18</p> <p>FD. 3 1/4" BC. B.L.M. 1952</p> <p>N 37-34-04 W 2639.6' (M)</p> <p>1790'</p>	<p>FD. 3 1/4" BC. B.L.M. 1951</p> <p>N 0-58-06 E 2682.6' (M)</p> <p>1600'</p> <p>FD. 3 1/4" BC. B.L.M. 1951</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><u>Billy H. Small</u> Signature</p> <p><u>Billy H. Small</u> Printed Name</p> <p><u>Drilling Assistant</u> Title</p> <p><u>10/13/04</u> Date</p>
<p>LAT. 36°53'04"N LONG. 108°05'50"W</p>	<p>16</p> <p>NOV 2004</p>	<p>18 SURVEYOR CERTIFICATION</p> <p>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</p> <p><u>DAVID VIKONIC</u> Signature</p> <p><u>14831</u> Certificate Number</p>

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87506

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

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

'API Number	'Pool Code 71280	'Pool Name AZTEL PICTURED CLIFFS
'Property Code	'Property Name STATE GAS COM N	'Well Number 2
'GRID No. 167D67	'Operator Name XTO ENERGY INC.	'Elevation 6126'

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	16	31-N	12-W		1790	NORTH	1600	EAST	SAN JUAN

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160			¹³ Joint or Infill NE 4		¹⁴ Consolidation Code		¹⁵ Order No.		

<p>16</p>	<p>FD. 3 1/4" BC. B.L.M. 1952</p>	<p>N 87-34-04 W 2639.6' (M)</p>	<p>FD. 3 1/4" BC. B.L.M. 1951</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature <u>JW Patton</u></p> <p>Printed Name <u>JERRY W PATTON</u></p> <p>Title <u>DRILLING ENGINEER</u></p> <p>Date <u>12-14-02</u></p>
		<p>1790'</p>	<p>1600'</p>	
	<p>16</p>		<p>FD. 3 1/4" BC. B.L.M. 1951</p>	<p>18 SURVEYOR CERTIFICATION</p> <p>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</p> <p>Date <u>DEC 14 2004</u></p> <p>Signature and Seal of Professional Surveyor: <u>Donna Vukobratovic</u></p> <p>14831</p> <p>Certificate Number</p>
	<p>LAT. 36°53'04"N (NAD 27) LONG. 108°05'50"W (NAD 27)</p>	<p>16</p>		

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

Date NOVEMBER 11, 1964

Operator PAN AMERICAN PETROLEUM CORPORATION Lease STATE GAS UNIT "BA"
 Well No. 1 Unit Letter G Section 16 Township 31 NORTH Range 12 WEST NMPM
 Located 1760 Feet From NORTH Line, 1450 Feet From EAST Line
 County SAN JUAN G. L. Elevation REPORT LATER Dedicated Acreage 320 Acres
 Name of Producing Formation DAKOTA Pool BASIN DAKOTA

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?

Yes No X

2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes X No If answer is "yes", Type of Consolidation Communitization agreements
 circulating for signature--all parties have agreed to join in well.

3. If the answer to question two is "no", list all the owners and their respective interests below:

OwnerLand Description

Section B.

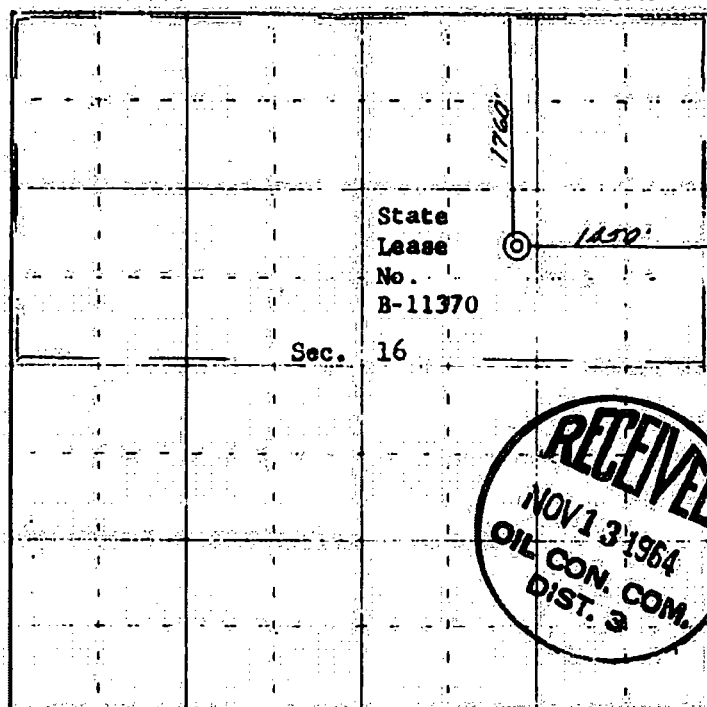
This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

PAN AMERICAN PETROLEUM CORP.F. H. Hollingsworth (Operator)F. H. Hollingsworth
(Representative)P. O. Box 480

(Address)

Farmington, New Mexico

Note: All distances must be from outer boundaries of section



Sec. 16

Ref: GLO plat dated 18 November 1953



(Seal)

Farmington, New Mexico

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed October 26, 1964

James P. Leese
 Registered Professional Engineer and or Land Surveyor
 James P. Leese, N. Mex. Reg. No. 1463

WELL INFORMATION

[illegible]

Compressor Information		
Location:	State Gas Com N 2 CDP	
Property #	68714	
XTO Compressor #	2221SC	
Lat/Long:	36.90117	-108.09723
Manufacturer:	Elgi	
Engine:	G6X00958	
Horse Power:	145	
Fuel Usage:	21.6	mcf/d
DK	40	mcf/d
FC / PC	220	mcf/d

	Pumping Unit		Separator(s)		
Well	Engine	Fuel Usage (mcf/d)	Burners (y/n)	Fuel Usage (mcf/d)	Vented Gas (mcf/d)
State Gas Com N 2	None - Plunger Lift	0	Y	5.7	0.0
State Gas Com BA 1	Arrow C-46	2.6	Y	2.3	0.0

State Gas Com N 2
State Gas Com BA 1

Well	State Gas Com N 2	State Gas Com BA 1
Formation	FC / PC	Basin Dakota
Average 2016 Production (mcf)		
June	214	20
July	216	27
August	217	28
September	218	30
October	216	31
November	218	34

State Gas Com N 2 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.
382 Road 3100
Aztec, New Mexico 87410
Office: 505.333.3100
Fax: 505.333.3280

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

April 3, 2017

RE: 2nd Amended Notice to Working and Royalty Interest Owners
Application to Surface Commingle Gas Production
SW/4 NE/4 Sec. 16, T31N, R12W
San Juan County, New Mexico

Dear Interest Owner:

XTO Energy Inc. (XTO) is re-applying to the New Mexico Oil Conservation Division (NMOCD) for approval to surface commingle gas production from the State Gas Com BA #1 and State Gas Com N #2 gas wells. NMOCD requires that all interest owners be notified of plans to surface commingle when ownership is different between wells. XTO originally notified all affected interest owners by letters dated October 18, 2016 and February 21, 2017. The application was approved by the NMOCD on January 5, 2017. The language pertaining to the allocation methodology was incorrect and not what our intention is.

This letter serves as notification of our intent to modify the allocation method as follows: XTO will meter gas from the State Gas Com BA #1 well prior to entering the compressor on the State Gas Com N #2 well. The meter will be maintained by XTO Energy in accordance with State and Federal Regulations. The State Gas Com N #2 gas will be allocated after commingling with the State Gas Com BA #1 gas, and we will use the subtraction method to allocate volumes to the State Gas Com N #2 well, where there will be one CDP on the well. By commingling the wells, we will reduce air emissions, lower compression costs, and reduce the footprint on the location. Produced liquids will not be surface commingled. In the future, additional wells, pools, or acreage may be added to this surface commingle or gathering system.

Please accept our apologies for any confusion or inconvenience caused by the multiple notification letters. If you need additional information, or have any questions, please contact me at (505) 333-3190.

Again, if you object to our application, you must file a written protest 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. XTO will request an amendment to the approved commingle application for the gas allocation method.

Sincerely,

Cherylene L. Weston, CPLTA
Sr. Permitting Analyst

/clw

xc: Well Files
FTW Land Department
NMOCD - Aztec

**State Gas Com N 2 – Basin Fruitland Coal, Aztec Pictured Cliffs
State Gas Com BA 1 – Basin Dakota**

Interest Owners

BLEDSON LIV TRUST

BURLINGTON RESOURCES O&G CO LP

ELIZABETH TURNER CALLOWAY, ROBERT WILBURN GUARDIAN

EVKO DEVELOPMENT COMPANY

FRED E TURNER

J GLENN TURNER, JR

JOHN L TURNER

M BEATRICE CLASS

M R SCHALK LLC

MARY FRANCES TURNER JR TRUST C/O JPMORGAN CHASE BANK NA

MIRIAM ELISE GULICK

NEW MEXICO COMMISSIONER OF PUBLIC LANDS

SOUTHWEST PETROLEUM CO LP

SOUTHWEST PETROLEUM COMPANY LP

VICTORIA WEBB PENDERGRASS

XTO ENERGY INC

State Gas Com N 2 and State Gas Com BA 1
Amended Notice to
Working, Royalty and Overriding Royalty Interest Owners
Notice Date: April 3, 2017

Owner Name	Address 1	Address 2	City	State	Zip Code	Certified Mail Article #
BLEDSON LIV TRUST	BILL L BLEDSOE TTEE	5615 NETHERLAND CT	DALLAS	TX	75229	7012 1010 0002 9434 9296
BURLINGTON RSCS O&G CO LP	PO BOX 4289	ATTN: BEN MITCHELL	FARMINGTON	NM	87499-4289	7012 1010 0002 9434 9302
ELIZABETH TURNER CALLOWAY, ROBERT WILBURN GUARDIAN	PO BOX 191767		DALLAS	TX	75219-1767	7012 1010 0002 9434 9319
EVKO DEVELOPMENT COMPANY	10 STARBOARD CT		MILL VALLEY	CA	94941	7012 1010 0002 9434 9326
FRED E TURNER	4925 GREENVILLE AVENUE	ONE ENERGY SQUARE STE 852	DALLAS	TX	75206-4079	7012 1010 0002 9434 9333
J GLENN TURNER, JR	4809 COLE AVE STE 212		DALLAS	TX	75205	7012 1010 0002 9434 9340
JOHN L TURNER	525 GILMER ST #108		SULPHUR SPRINGS	TX	75482	7012 1010 0002 9434 9357
M BEATRICE CLASS	192 CUTTER CIR		BLUFFTON	SC	29909	7012 1010 0002 9434 9364
M R SCHALK LLC	PO BOX 25825		ALBUQUERQUE	NM	87125-0825	7012 1010 0002 9434 9371
MARY FRANCES TURNER JR TRUST C/O JPMORGAN CHASE BANK NA	MAIL CODE TX1-1318	PO BOX 2605	FORT WORTH	TX	76113-9919	7012 1010 0002 9434 9388
MIRIAM ELISE GULICK	192 CUTTER CIR		BLUFFTON	SC	29909	7012 1010 0002 9434 9395
NEW MEXICO COMM OF PUBLIC LANDS	NEW MEXICO STATE LAND OFFICE	310 OLD SANTA FE TRAIL	SANTA FE	NM	76102-6223	7012 1010 0002 9434 9401
SOUTHWEST PETROLEUM CO LP	DBA SOUTHWEST PETROLEUM CO	PO BOX 702377	DALLAS	TX	75370-2377	7012 1010 0002 9434 9418
VICTORIA WEBB PENDERGRASS	11023 SNOW WHITE DR		DALLAS	TX	75229	7012 1010 0002 9434 9425
XTO ENERGY INC	810 HOUSTON		FORT WORTH	TX	76102	N/A - Applicant

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



January 5, 2017

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-460
Administrative Application Reference No. pMAM1634859109

XTO Energy, Inc.
Attention: Ms. Cherylene Weston

Pursuant to your application received on December 13, 2016, 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)	(71629)
AZTEC PICTURED CLIFFS (GAS)	(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

(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:

Each well will be individually metered using allocation meters. Total gas production will then be metered using a CDP sales meter. Production shall then be allocated to each well using the CDP sales meter volume, allocation meter volumes, on lease fuel usage, purged or vented gas volumes, BTU and other data, in accordance with the allocation formula contained within the application.

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.

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, January 5, 2017.



DAVID R. CATANACH
Director

DRC/mam

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