



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Administrative Order DHC-4014

Application Reference Number: pKVR0808536717

XTO ENERGY, INC
382 ROAD 3100,
AZTEC, NM 87410

Attention: LORRI D. BINGHAM, REG COMPLIANCE TECH

MCDANIEL GAS COM B Well No. 001R

API No: 30-045-30612

Unit A, Section 26, Township 29 North, Range 10 West, NMPM
San Juan County, New Mexico

Pool:	AZTEC PICTURED CLIFFS (GAS)	Gas 71280
Names:	BASIN DAKOTA (PRORATED GAS)	Gas 71599
	BLANCO-MESAVERDE (PRORATED GAS)	Gas 72319

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that 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 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be as follows.

AZTEC PICTURED CLIFFS (GAS) Pool	Pct Gas: 42	Pct Oil: 0
BASIN DAKOTA (PRORATED GAS) Pool	Pct Gas: 30	Pct Oil: 69
BLANCO-MESAVERDE (PRORATED GAS) Pool	Pct Gas: 28	Pct Oil: 31

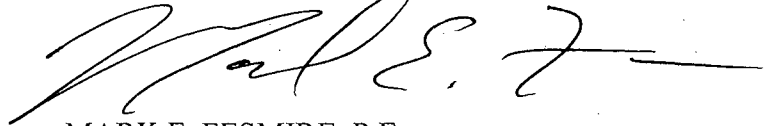
These percentages shall be amended only with written permission of the Division.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Order approved at Santa Fe, New Mexico on 4/8/2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', is written over the printed name and title.

MARK E. FESMIRE, P.E.
Director

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