



# New Mexico Energy, Minerals and Natural Resources Department

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Oil Conservation Division



Surface Commingling Order PLC-338  
May 28, 2011

XTO Energy, Inc.  
382 Road 3100  
Aztec, New Mexico 87410

Attention: Jennifer Morrow:

It is our understanding that diversely owned lands producing oil and gas from more than one common source of supply are proposed for commingling through facilities operated by the XTO Energy, Inc. ("applicant"). Applicant has made application for diversely owned surface commingling per 19.15.12.10.C.(4) NMAC. Notice has been provided and no objections were received.

Applicant is hereby authorized to surface commingle gas production from the following wells and gas spacing units all located within Section 21, Township 27 North, Range 11 West, NMPM, San Juan County, New Mexico:

Schwerdtfeger Well No. 5 (API No. 30-045-06372),  
Located in Unit Letter K of Section 21  
West Kutz; Pictured Cliffs (79680) Gas Pool Spacing Unit: SW/4 of Section 21 (160 acres)  
Portions of Federal Lease NMSF-080382A

Schwerdtfeger 21 Well No. 1 (API No. 30-045-27821),  
Located in Unit Letter M of Section 21  
Basin Fruitland Coal (71629) Gas Pool Spacing Unit: W/2 of Section 21 (320 acres)  
Portions of Federal Lease NMSF-080382A

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. Gas from each well shall be continuously metered prior to being commingled for sales. The gas meters on this surface commingle shall be calibrated on a schedule based on throughput as per Division Rule 19.15.12.10.C.(2) NMAC.

Commingled gas production from the wells detailed above shall be measured and sold at a CDP located in Unit Letter K, Section 21, Township 27 North, Range 11 West, NMPM, of San Juan County, New Mexico.



Before commencing surface commingling, the operator must obtain approval from the Bureau of Land Management (BLM) as directed in 19.15.12.10.C.(4)(h) NMAC. The operator shall notify the District office of the Division prior to implementation of commingling operations. It is the responsibility of the producer to notify the transporter of this commingling authority.

Applicant has provided notice that this commingle may be expanded with future wells or additional Pools, as per Division Rule 19.15.12.10.C.(4)(g) NMAC. Therefore, additional wells or Pools may be included in this surface commingle after the operator has again made application as per 19.15.12.10.C.(4) NMAC and received permission from the Division. Provided however, that the method of allocation (continuous metering) shall remain the same and notice of such additional wells or pools shall only be required to the affected parties owning interests in the additional wells to be added.



JAMI BAILEY

Division Director

JB/wvjj

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