

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division
COMMINGLING ORDER PC-1058

XTO Energy Inc. 2700 Farmington Avenue Building K, Suite 1 Farmington, New Mexico 87401

Attention: Mr. Darrin L. Steed

The above named company is hereby authorized to surface commingle the following pools and acreage within the same lease:

Existing Well:

Florance D LS Well No. 11 (API No. 30-045-06528)

South Blanco-Pictured Cliffs (Prorated Gas 72439), NE/4 dedication

Blanco-Mesaverde (Prorated Gas 72319), E/2 dedication Unit G, Section 18, Township 27N, Range 8W NMPM

New Well:

Florance Well No. 66F (API No. 30-045-30886)

Otero-Chacra (Gas 82329), NE/4 dedication

Blanco-Mesaverde (Prorated Gas 72319), E/2 dedication Basin-Dakota (Prorated Gas 71599), E/2 dedication Unit A, Section 18, Township 27N, Range 8W NMPM

These wells all have common ownership and are located on the same Federal Lease No. NMNM -03380, in San Juan County, New Mexico.

These wells shall be periodically tested to maintain an accurate allocation of oil, water, and gas production and sales. For purposes of reporting, each well's gas production shall be calculated from gas sales plus estimated fuel gas usage.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the supervisor of the Aztec district office prior to implementation of this commingling operation.

PROVIDING: Like approval is also required from the U.S. Bureau of Land Management.

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DONE at Santa Fe, New Mexico, on this 22nd day of May 2002.

LORI WROTENBERY,

Division Director

LW/WVJ

cc: Oil Conservation Division- Aztec

Bureau of Land Management - Farmington