

Revised March 23, 2017

O9S8E-200609-C-107B 680

RECEIVED: 6/9/2020	REVIEWER:	TYPE: PLC	APP NO: pDM2016449977
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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 Permian Operating LLC **OGRID Number:** 373580  
**Well Name:** Poker Lake Unit, multiple wells **API:** Multiple (list attached)  
**Pool:** Poker Lake; Delaware; South, Poker Lake; Delaware, Southwest **Pool Code:** 50386 & 96047

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

- 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**

- ☐ Notice Complete  
☐ 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.**

Tracie J. Cherry, Regulatory Coordinator

Print or Type Name

06-08-2020

Date

432-221-7379

Phone Number

tracie\_cherry@xtoenergy.com

e-mail Address

Signature

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

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

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 Permian Operating, LLC (373075)  
OPERATOR ADDRESS: 6401 Holiday Hill Rd. Bldg 5 Midland, TX 79707  
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. \_\_\_\_\_  
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
Poker Lake; Delaware, South(50386)					
Poker Lake; Delaware, Southwest(96047)					

- (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) Allocation by test  
(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: Tracie J. Cherry TITLE: Regulatory Coordinator DATE: 04/03/20

TYPE OR PRINT NAME Tracie J. Cherry TELEPHONE NO.: 432-221-7379

E-MAIL ADDRESS: tracie\_cherry@xtoenergy.com

**Proposal for Poker Lake Unit 411 Battery**

XTO Permian Operating LLC is requesting approval for Surface Commingle and Off-Lease measurement, sales and storage for the wells listed on the attached table.

**Well Information and Lease Description**

The Poker Lake Unit 411 Battery ("battery") is used as a common tank battery for eight (8) wells. All wells are in the Poker Lake Unit (NMNM71016X). Two (2) wells are included in the recently approved Participating Area (PA) NMNM71016 AD. Paying Well Determinations (PWD) have been submitted on all wells. Wells #402H & #410H were classified as non-commercial and not entitled to a Participating Area (PA); communitization agreements are being formed for these wells. The remaining four (4) wells were considered commercial and will ultimately be included in a PA, either newly formed or as a part of the existing PA NMNM71016AD. Wells #401H & #412H are connected to the battery but are under review for P&A and not included in this application. If the wells are returned to production, this Commingle and Allocation Approval will be amended.

The battery has four (4), 500 bbl oil tanks and four (4) fiberglass produced water tanks on the location. The battery is located in NWNE Sec 28 T24S-R31E. Oil from this facility is sent through a LACT into a pipeline. The gas from the battery is sent to Energy Transfer Company (ETC) through gas check meter on location. A second sales check meter on location serves as an alternate sales point for Enterprise Field Services (ENT).

**Process Flow and Allocation Description**

The flow of production is shown in detail on the enclosed facility diagram. A map is included with this application outlining lease/PA boundaries, location of wells and facility. All wells are located inside the Poker Lake Unit boundaries.

**Oil Process Flow:**

At this battery, there is one main production train and two active test trains, allowing up to two wells to be in test at all times.

Wells flowing through the main production train are routed to the main 2-phase separator where gas is separated from the oil-water stream. The oil-water stream is then routed to the main free water knockout (FWKO) where the oil is separated from the water. The oil is then routed to the main heater treater and then on to the VRT in a shared oil line. The oil from the VRT is then routed to the tanks for storage.

A Test 1 train is on location but sealed off and not utilized. The equipment remains on location for future use.

Wells directed to Test 2 train flow to a 2-phase test separator where gas is separated from the oil-water stream. Then the oil-water stream is routed to the test 3-phase separator. The oil from the 3-phase test separator flows through a turbine test meter (#12137034511) located off the separator before joins the oil from the other process equipment in a shared line and is sent to the main FWKO, VRT and then to the tanks. Currently, a well in Test 2 bypasses the 2-phase test separator and flows directly the FWKO and continues through the process equipment.

Wells directed to the Test 3 train flow to a 2-phase test separator where gas is separated from the oil-water stream. Then the oil-water stream is routed to a FWKO through a turbine test meter (#415520) then to the heater treater. From there, it joins the oil from the other process equipment in a shared line and is sent to the tanks.

Oil production is allocated to each well based on monthly well test using the factor derived from the turbine test meter reading and the LACT meter reading. All oil is sold through a LACT meter #DBPL0012OL directly into the pipeline. The LACT meter is installed per API and CFR 43 3174 requirements and is proven quarterly. The LACT meter (#DBPL0012OL) will be the designated FMP for oil at the facility.

### **Gas Process Flow**

Gas production from the wells also flows to this battery and follows the same separation, metering and allocation process as oil.

Gas from the well in Test 2 is gathered off the both test separators and the FWKO, into a shared line and is routed to a test meter (#DBPL0158G).

Gas from the well in Test 3 is gathered off the 2-phase test separator and routed to the test meter (#DBPL0159G). The minimal amount of gas from the FWKO and heater treater is sent directly to the flare limb.

Two flares are located at the battery. In case of emergency or pipeline restrictions gas production can be directed one of the (metered) flares (#DBPL0019G, #DBPL0094G) prior to the check meters.

The sales gas from the battery is metered at the primary EFM battery check meter #DBPL0093G; alternately, the gas can flow through check meter #DBPL0092G. All EFM gas meters are installed and calibrated per API and 43 CFR 3174 requirements. The check meters (#DBPL0093G & #DBPL0092G) will be the designated FMP for gas at this facility.

This facility utilizes a VRU to capture tank vapors. Gas from the VRU is recorded on gas meter (#DBPL0016O) and is allocated based on each wells' allocated oil production.

Water production is measured using turbine meters located off the test separators and main FWKO. The water is discharged into a common water line to travel to the water tanks where it is stored until it enters the SWD system.

### **Summary:**

The proposed commingling and allocation will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint and overall emissions.

XTO understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Working, royalty, and overriding interest owners will be notified of this proposal via certified mail.

The BLM and NMOCD will be notified of any future changes in the facilities.

Federal Lease: NMNM71016AD PA NMNM0506A (240 ac), NMNM0522A (320 ac), NMNM0522 (120 ac) & NMNM157566 (80 ac) 12.5% Fed Royalty							
Well Name (Property Code)	API	Loc ¼, ¼, Sec. Twp, Rng	Pool (NMOCD Pool Code)	BOPD		MCFPD	
Poker Lake Unit 302H (306402)	30-015- 37647	SHL: SWNE Sec 28 24S-31E BHL: SWNW Sec 21 24S-31E	Poker Lake; Delaware, South (50386)	25		100	
Poker Lake Unit 357H (306402)	30-015- 39143	SHL: NWSE Sec 28 24S-31E BHL: SWSE Sec 20 24S-31E	Poker Lake; Delaware, Southwest (96047)	85		250	

Federal Lease: NMNM71016X* NMNM0506A (240 ac), NMNM0542 (40 ac)							
Well Name (Property Code)	API	Loc ¼, ¼, Sec. Twp, Rng	Pool (NMOCD Pool Code)	BOPD		MCFPD	
Poker Lake Unit 400H** (306402)	30-015- 40802	SHL: SESW Sec 22 24S-31E BHL: NENW Sec 21 24S-31E	Poker Lake; Delaware, South (50386)	25		200	

Federal Lease: NMNM71016X* NMNM0506A (40 ac), NMNM0522A (160 ac), NMNM0543 (80 ac)							
Well Name (Property Code)	API	Loc ¼, ¼, Sec. Twp, Rng	Pool (NMOCD Pool Code)	BOPD		MCFPD	
Poker Lake Unit 409H** ((306402))	30-015- 41136	SHL: SWSW Sec 22 24S-31E BHL: NESE Sec 27 24S-31E	Poker Lake; Delaware, Southwest (96047)	120		400	

Federal Lease: NMNM71016X* NMNM0522A (400 ac)							
Well Name (Property Code)	API	Loc ¼, ¼, Sec. Twp, Rng	Pool (NMOCD Pool Code)	BOPD		MCFPD	
Poker Lake Unit 411H (306402)	30-015- 39930	SHL: NWNE Sec 28 24S-31E BHL: SESW Sec 27 24S-31E	Poker Lake; Delaware, South (50386)	25		350	

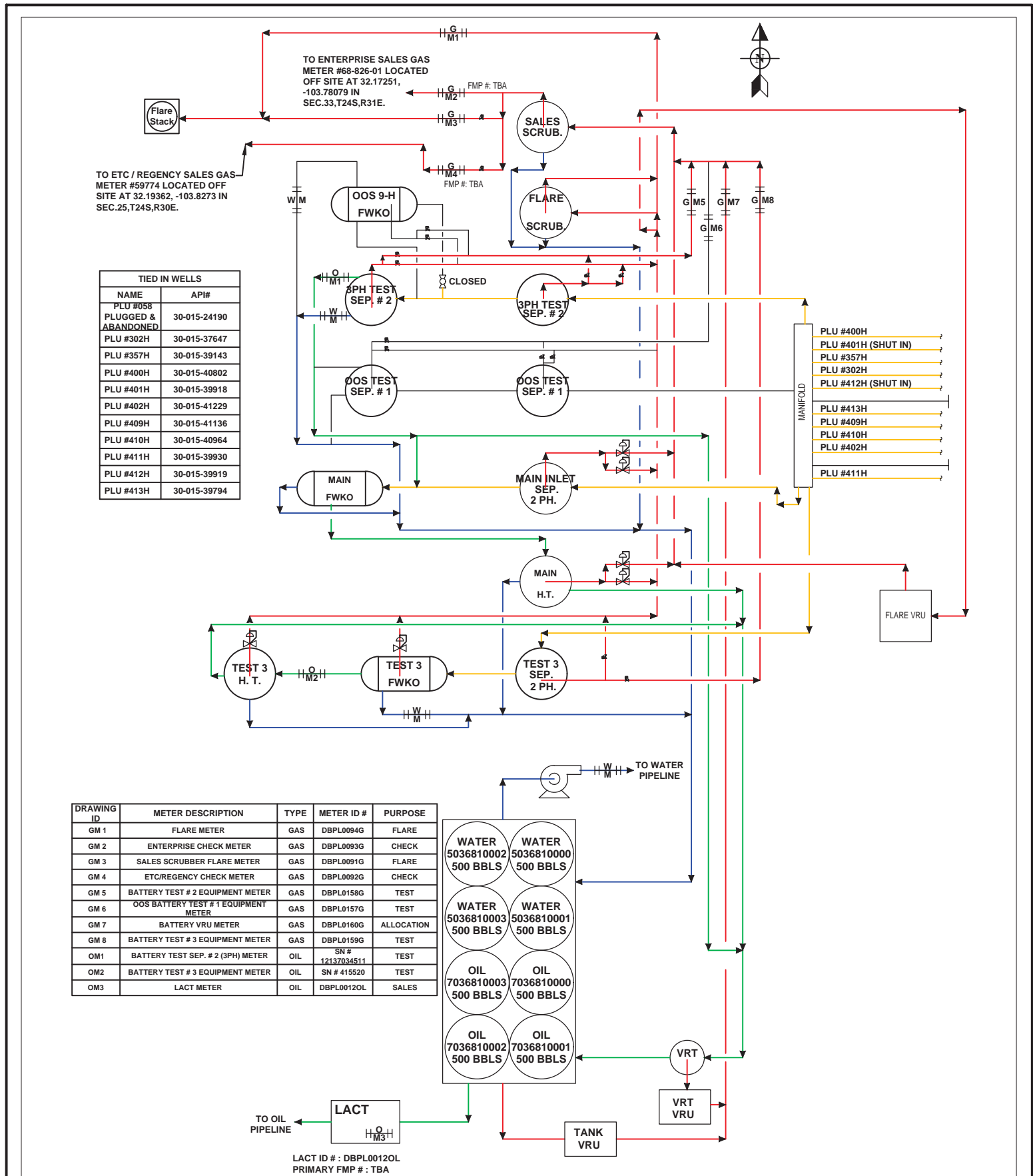
Federal Lease: NMNM71016X* NMNM0522A (40 ac), NMNM0522 (120 ac), NMNM30454 (160 ac), NMNM31382 (40 ac)							
Well Name (Property Code)	API	Loc ¼, ¼, Sec. Twp, Rng	Pool (NMOCD Pool Code)	BOPD		MCFPD	
Poker Lake Unit 413H (306402)	30-015- 39794	SHL: NESW Sec 28 24S-31E BHL: NESW Sec 34 24S-31E	Poker Lake; Delaware, South (50386)	15		300	

Federal Lease: Pending CA NMNM0506A (160 ac), NMNM0522A (200 ac), NMNM0522 (40 ac), NMNM30454 (120 ac)							
Well Name (Property Code)	API	Loc ¼, ¼, Sec. Twp, Rng	Pool (NMOCD Pool Code)	BOPD		MCFPD	
Poker Lake Unit 402H (306402)	30-015- 41229	SHL: SENE Sec 33 24S-31E BHL: NWNE Sec 29 24S-31E	Poker Lake; Delaware, South (50386)	50		400	

Federal Lease: Pending CA NMNM01179 (160 ac), NMNM0522A (160 ac), NMNM0543 (40 ac), NMNM01181 (80 ac)							
Well Name (Property Code)	API	Loc ¼, ¼, Sec. Twp, Rng	Pool (NMOCD Pool Code)	BOPD		MCFPD	
Poker Lake Unit 410H (306402)	30-015- 40964	SHL: SWSE Sec 21 24S-31E BHL: SESE Sec 27 24S-31E	Poker Lake; Delaware, Southwest (96047)	15		150	

\*Wells deemed commercial and entitled to a participating area.

\*\*Well currently offline due to mechanical failures and current market conditions. Plan to return to production. Volumes given based on past production



Facility Gas Usage		Revision	Description of Change	Date	By	XTO PERMIAN OPERATING, LLC	POKER LAKE UNIT BATTERY 411H CENTRAL TANK BATTERY - TANKS EDDY COUNTY, NEW MEXICO
Equipment	Usage						
MAIN HEATER TREATER	16.67 MCFD	0	COMMINGLE DRAWING	5/20/2020	CAH		SEC.28-T24S-R31E, API #30-015-39930, FED LEASE ID:NMN0522A
TEST 3 HEATER TREATER	16.67 MCFD						
PNEUMATIC CONTROLLER	144 SCFD						COMMINGLE DRAWING

EMULSION —

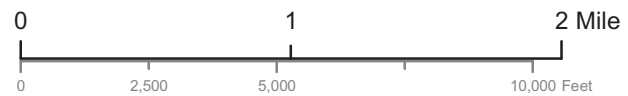
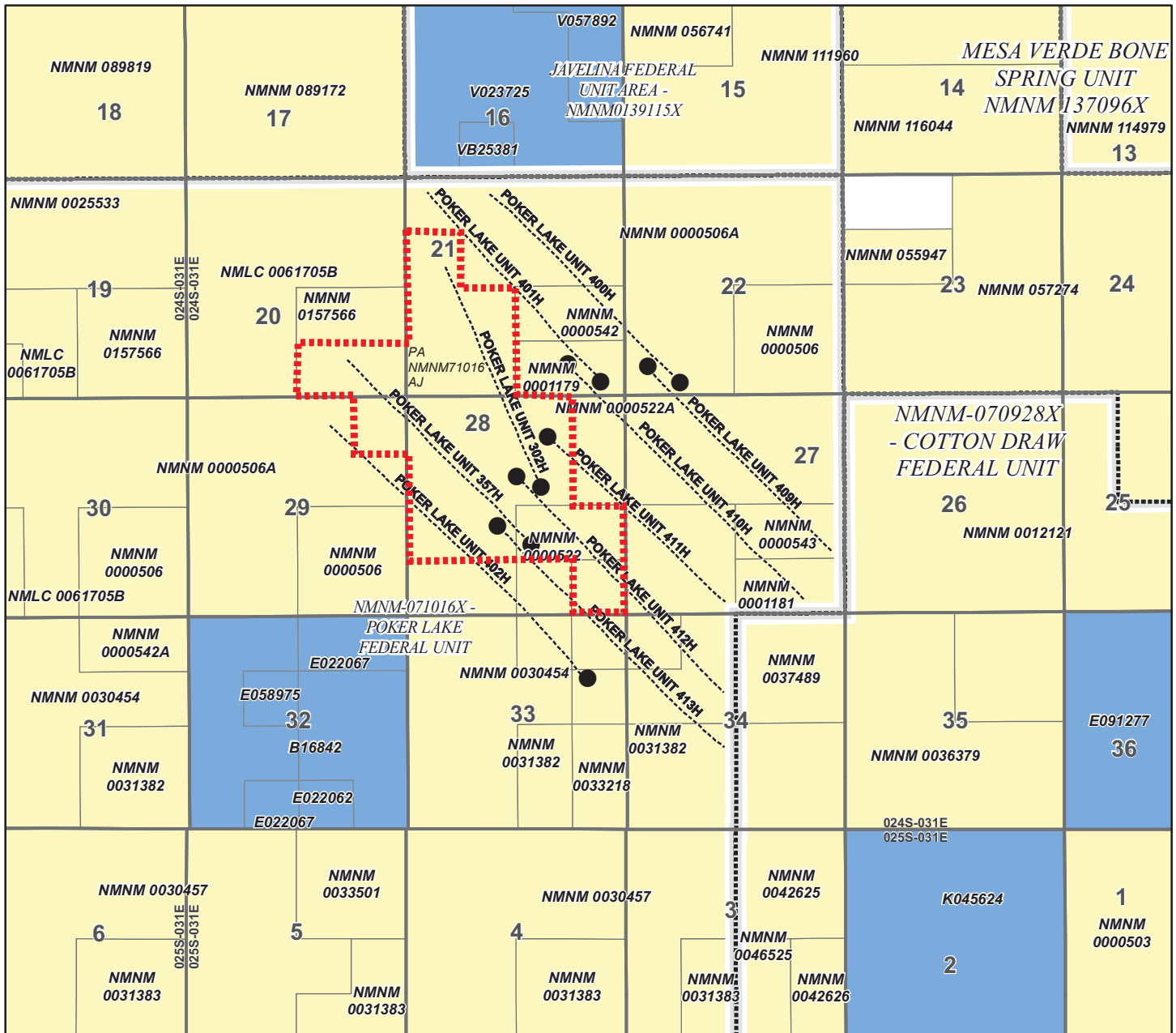
WATER —

OIL —

GAS —



Selected PLU Wells, 302H thru 402H  
Eddy Co., New Mexico  
May 21, 2020



- surface hole location
- wellbore
- BLM communization agreement
- BLM Participating Area
- BLM Active Unit
- State Lease
- Federal Lease

XTO Permina Operating LLC  
Certified Mailing List  
Poker Lake Unit 411 Battery

Certified Mailing Number	Name	Address	
7019 1640 0001 6436 3788	MORRIS E SCHERTZ AND	PO BOX 2588	ROSWELL NM 88202-2588
7019 1640 0001 6436 3795	RICHARDSON MINERAL &	PO BOX 2423	ROSWELL NM 88202-2423
7019 1640 0001 6436 3801	FORT WORTH ROYALTY CO	1315 W 10TH ST	TX 76102-3437
7019 1640 0001 6436 3818	SUITCASE SAND CO	PO BOX 4120	TORRANCE CA 90510-4120
7019 1640 0001 6436 3825	EHW LLC	101 S FOURTH ST	ARTESIA NM 88210-2177
7019 1640 0001 6436 3832	A PLEDGE LLC	1437 S BOULDER STE 1250	TULSA OK 74119
7019 1640 0001 6436 3849	MARY ELLEN JOHNSTON	2715 N KENTUCKY APT 16	ROSWELL NM 88201
7019 1640 0001 6436 3856	RALPH ALBERT SHUGART TR	501 S CHERRY ST STE 570	CO 80246
7019 1640 0001 6436 3863	CLAIRE C JESSEE	8785 FM 910	TX 75417
7019 1640 0001 6436 3870	CYNTHIA ALLEN REG TRUST	12551 COUNTY RD 282	TX 75791
7019 1640 0001 6436 3887	THE ALLEN FAMILY REV TRUST	3623 OVERBROOK DR	DALLAS TX 75205
7019 1640 0001 6436 3894	SUSAN J CROFT	11700 PRESTON RD STE 660 PMB 3	DALLAS TX 75230
7019 1640 0001 6436 3900	J LESLIE & LINDA M DAVIS	620 C STATE RD 58	TX 87714
7019 1640 0001 6436 3917	MARY JO ONEILL	6204 VISTA DEL MAR #476	TX 75230
7019 1640 0001 6436 3924	JULIE H YOST	PO BOX 3699	CA 90293
7019 1640 0001 6436 3931	PHILLIP F MITCHELL	1244 E MENDOCINO ST	CA 93546
7019 1640 0001 6436 3948	ELIZABETH A CLEMMER	1018 ARNOLD	CA 91001
7019 1640 0001 6436 3955	W ANDREW MITCHELL	25307 CHARINA LN	CA 93436
7019 1640 0001 6436 3962	TERESA S GRISH	9704 MOSSY STONE CT	CA 92548
7019 1640 0001 6436 3962	MARION JENKS	10375 WILSHIRE APT 3G	VA 22182
7019 1640 0001 6436 3979	ROBERT JAMES MERRITT III	11791 REDHILL DR	CA 90024
7019 1640 0001 6436 3986	JUDY GRAY	17426 HAYNES ST	CA 92705
7019 1640 0001 6436 3993	LINDA MERRITT GRAUE	9422 SE 33RD ST	CA 91406
7019 1640 0001 6436 4006	MICHAEL J MITCHELL	738 19TH ST	WA 98040
7019 1640 0001 6436 4013	SMITH FAMILY TRUST	300 HOT SPRINGS RD	CA 90266
7019 1640 0001 6436 4020	EDWIN H CLOCK	150 AVENIDA MIRAFLORES	CA 93108
7019 1640 0001 6436 4037	ROBERT R WAESTMAN TRUST	3701 LONG BEACH BLVD STE 200	CA 94920-1440
7019 1640 0001 6436 4044	ELWIN BACON HALL	PO BOX 4120	CA 90807
7019 1640 0001 6436 4051	JANE H RONEY	696 COWLES RD	CA 90510
7019 1640 0001 6436 4068	ALBERT J MITCHELL JR	PO BOX 843	CA 93108
7019 1640 0001 6436 4075	STANLEY ROGER CARPER II	802 N 13TH ST	CA 88401
7019 1640 0001 6436 4082	JANICE CARPER BONDS	PO BOX 263	CA 88253
7019 1640 0001 6436 4099	SARA WARD SIMS	101 S 4TH	CA 88318-0263
7019 1640 0001 6436 4105	JENNIE VUKSICH	11401 SAN FRANCISCO RD NE	CA 88210
7019 1640 0001 6436 4112	WASHOE COMPANY	PO BOX 2086	CA 87122
7019 1640 0001 6436 4129	SIERRA PACIFIC CORPORATION	PO BOX 967	TX 78768
7019 1640 0001 6436 4136	MARIENFELD ROYALTY CORP	PO BOX 1269	TX 77001
7019 1640 0001 6436 4143	FINLEY INTERESTS MGMT CO LTD	1900 ST JAMES PLACE STE 110	OH 43952
7019 1640 0001 6436 4150	LEDA ZELIOS	PO BOX 606	TX 77056
7019 1640 0001 6436 4167	MADISON M HINKLE	PO BOX 2292	TX 76457-0606
7019 1640 0001 6436 4174	PATRICIA BOYLE YOUNG MGMT TRST	PO BOX 1037	TX 88202-2292
7019 1640 0001 6436 4181	RICHARD DONALD JONES JR	200 N GAINES ROAD	OK 74447
7019 1640 0001 6436 4198	JADT MINERALS LTD	PO BOX 190229	TX 78612
7019 1640 0001 6436 4204	DEVON ENERGY PRODUCTION CO LP	333 W SHERIDAN AVE	TX 75219-0229
7019 1640 0001 6436 4211	BALONEY FEATHERS LTD	PO BOX 1586	OK 73102-5015
7019 1640 0001 6436 4228	PAISANO ROYALTY TRUST LLC	5128 APACHE PLUME RD STE300	TX 79408
7019 1640 0001 6436 4235	DOUGLAS A DENTON	1501 PRINCETON AVE	TX 76109
7019 1640 0001 6436 4242	JAN ELISE M FESCEMMEYER	7105 BATTLE CREEK RD	TX 79701
7019 1640 0001 6436 4259	RICHARD C GIBSON EST NANCY H	2000 SINCLAIR AVENUE	TX 76116
7019 1640 0001 6436 4266	JENNINGS LEE TRUST	PO BOX 20204	TX 79705
7019 1640 0001 6436 4273	MOUNTAIN LION OIL AND GAS LLC	7941 KATY FREEWAY 117	TX 71903-0204
7019 1640 0001 6436 4280	STONETEX DIAMOND LLC	12377 MERIT DR STE 777	TX 77024
7019 1640 0001 6436 4297	VATEX MINERAL FUND I LP	1204 WEST 7TH ST 200	TX 75251
7019 1640 0001 6436 4303	PENASCO PETROLEUM LLC	PO BOX 2992	TX 76102
7019 1640 0001 6436 4310	BEPCO LP*	201 MAIN STREET STE 3100	NM 88202
7019 1640 0001 6436 4327			TX 76102

\*See Page 2

Two (2) individuals had no known address  
EMMA O CAMERON TRUST  
JOHN G CLOCK

Per NIMAC 19.15.12.10(C)(4)(c.), notice was published in the *Carlsbad Current-Argus*



Each of the individuals/organizations listed below are interest owners in one or all of the wells included in this application. Per the letter attached, each of the individuals/organizations has agreed to one point of notice; Mr. Hugh C. Montgomery, Director of Land for BEPCO, LP.

2016 SAMANTHA BASS FAM TR  
2016 HYATT BASS FAM TR  
THE CHRISTOPHER MADDOX BASS  
ANNE CHANDLER BASS EVANS  
TIMOTHY RICHARDSON BASS  
THE BASS SICKEL 2016 CHILDRENS TR  
THRU LINE BPEOR NM LLC  
FINE LINE BPEOR NM LLC  
CTV-SRB II BPEOR NM LLC  
GOLIAD-SRB II BPEOR NM LLC  
SRBI II BPEOR NM LLC  
SRBMT II BPEOR NM LLC  
CTV-SRB I BPEOR NM LLC  
GOLIAD-SRB I BPEOR NM LLC  
SRBI I BPEOR NM LLC  
SRBMT I BPEOR NM LLC  
820MT I BPEOR NM LLC  
CTV-LMB I BPEOR NM LLC  
GOLIAD-LMB I BPEOR NM LLC  
LMBI I BPEOR NM LLC  
PRB II 1993C I BPEOR NM LLC  
RFB 1993C I BPEOR NM LLC  
SSB 1993C I BPEOR NM LLC  
KEYSTONE(RMB) BPEOR NM LLC  
RMB BPEOR NM LLC  
CTV-CTAM BPEOR NM LLC  
KEYSTONE(CTAM) BPEOR NM LLC  
820MT II BPEOR NM LLC  
CTV-LMB II BPEOR NM LLC  
GOLIAD-LMB II BPEOR NM LLC  
LMBI II BPEOR NM LLC  
PRB II 1993C II BPEOR NM LLC  
RFB 1993C II BPEOR NM LLC  
SSB 1993C II BPEOR NM LLC

I, Tracie J Cherry, do hereby certify the interest owners for the well(s) in the Poker Lake Unit 411 Battery were furnished a copy of XTO's application, via certified mail on this date.

Signed:



Tracie J. Cherry

Title:

Regulatory Coordinator

Date:

06/09/2020

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0004218078

This is not an invoice

### XTO ENERGY

6401 HOLIDAY HILL RD. BLDG 5

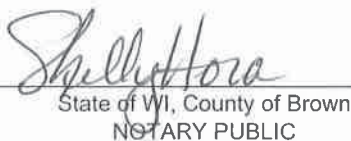
MIDLAND, TX 79707

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

06/02/2020

  
Legal Clerk

Subscribed and sworn before me this June 2, 2020:

  
State of WI, County of Brown  
NOTARY PUBLIC

  
8-25-23

My commission expires

SHELLY HORA  
Notary Public  
State of Wisconsin

Ad # 0004218078  
PO #: XTO Energy  
# of Affidavits 1

This is not an invoice

XTO Permian Operating LLC is applying to NMOCD and BLM to surface commingle oil and gas production at a common tank battery in Eddy County, NM. Permission to allocate production to diversely owned wells using well test method is also being requested. The Poker Lake Unit 411 Battery is located NWNE Sec 28 T24S-R31E.

Production to be commingled originates from the following pools:

Poker Lake; Delaware, SW, NMOCD pool code 96047  
Poker Lake; Delaware, S., NMOCD pool code 50386

Leases include Federal leases located:

Sec 20 T24S - R31E (S/2 SE/4)  
Sec 21 T24S - R31E (All)  
Sec 22 T24S - R31E (S/2 SW/4)  
Sec 27 T24S - R31E (All)  
Sec 28 T24S - R31E (All)  
Sec 29 T24S - R31E (NE/4)  
Sec 33 T24S - R31E (NE/4 NW/4 & N/2 NE/4)  
Sec 34 T24S - R31E (NW/4 & NE/4 SW/4)

The following wells are included in the commingle application:

Poker Lake Unit 302H  
Poker Lake Unit 357H  
Poker Lake Unit 400H  
Poker Lake Unit 402H  
Poker Lake Unit 409H  
Poker Lake Unit 410H  
Poker Lake Unit 411H  
Poker Lake Unit 413H

Affected parties were notified via certified letter. Addresses for following owners could not be located:

Emma O Cameron Trust  
John G Glock

Interested parties must file objections or requests for hearing with the New Mexico Oil Conservation Division, 1220 South Saint Frances Dr. Santa Fe, NM 87505 within 20 days. Additional information can be obtained by contacting Tracie J Cherry, XTO Energy Inc., 6401 Holiday Hill Rd Bldg 5, Midland, TX 79707. Phone number 432-221-7379

June 2, 2020



Date: June 5, 2020

To: Tracie Cherry

From: Kaleigh Brady

Re: Forecasted Declines: PLU 411 Battery Wells

**Poker Lake Unit 302H**

**Poker Lake Unit 409H**

**Poker Lake Unit 357H**

**Poker Lake Unit 410H**

**Poker Lake Unit 400H**

**Poker Lake Unit 411H**

**Poker Lake Unit 402H**

**Poker Lake Unit 413H**

Eddy County, New Mexico

Regarding the application for a pool/lease commingle for the (8) wells named above, the production decline of the wells is in accordance with the production decline presented in Order R-14299.

The ranges of decline and recommended testing schedule is:

- Four well tests per month while the decline rate is between 30-20% per month
- Three well tests per month while the decline rate is between 20-13% per month
- Two well tests per month while the decline rate is between 13-6% per month
- One well test per month while the decline rate is <6% per month

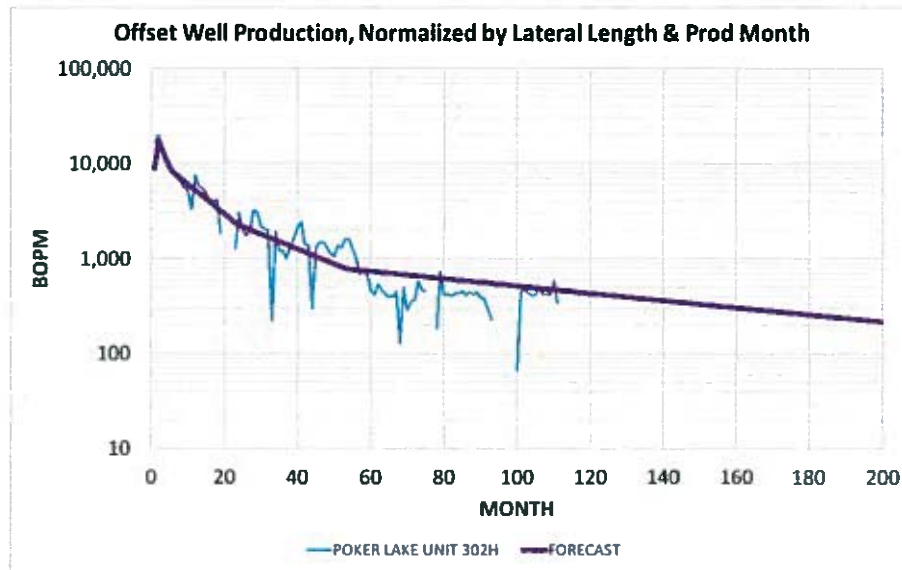
The eight subject wells are mature producers and have a current monthly decline of 6% or less. Therefore the recommended testing frequency for comingling per the well method for these wells will be at least once a month with a 24 hours test period. Below is the decline curve for each well with their decline parameters.

A handwritten signature in black ink that reads 'Kaleigh Brady'.

Kaleigh Brady

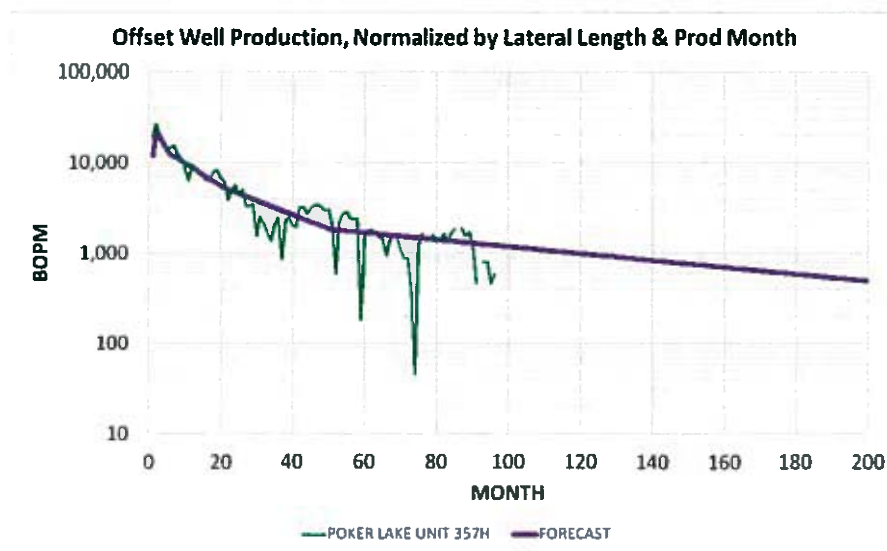
Reservoir Engineer

Delaware Basin Subsurface Team



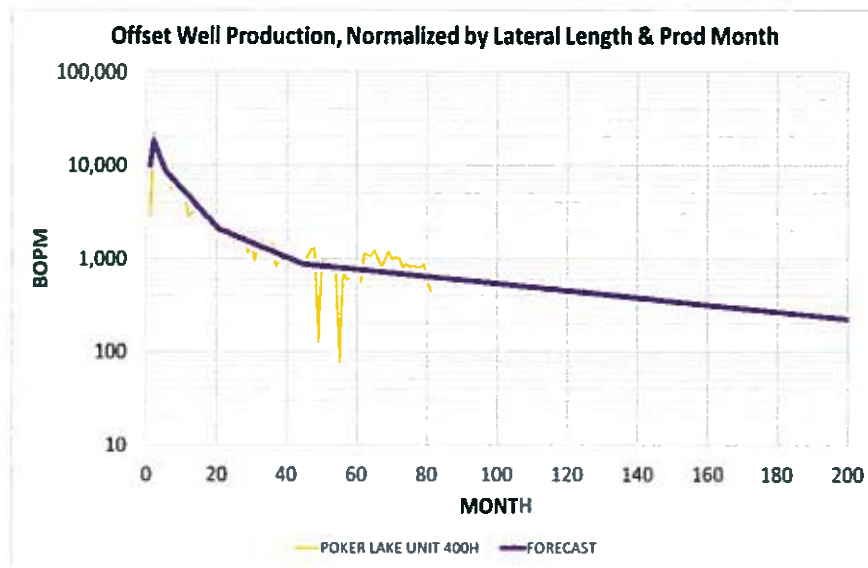
t (months)	De (Annual)	Qi (bopm)
1	-	9,000
4.00	0.90	18,000
18.00	0.58	8,355
30.00	0.35	2,274
	0.10	775

Figure 1: Hyperbolic Decline forecast for Poker Lake Unit 302H, Brushy Canyon



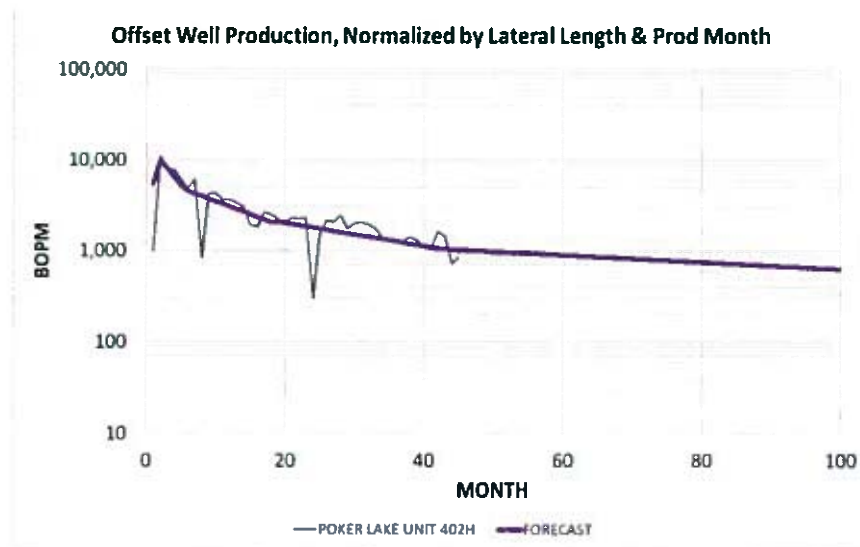
t (months)	De (Annual)	Qi (bopm)
1	-	12,000
4.00	0.85	24,000
15.00	0.50	12,752
30.00	0.35	5,362
	0.10	1,826

Figure 2: Hyperbolic Decline forecast for Poker Lake Unit 357H, Brushy Canyon



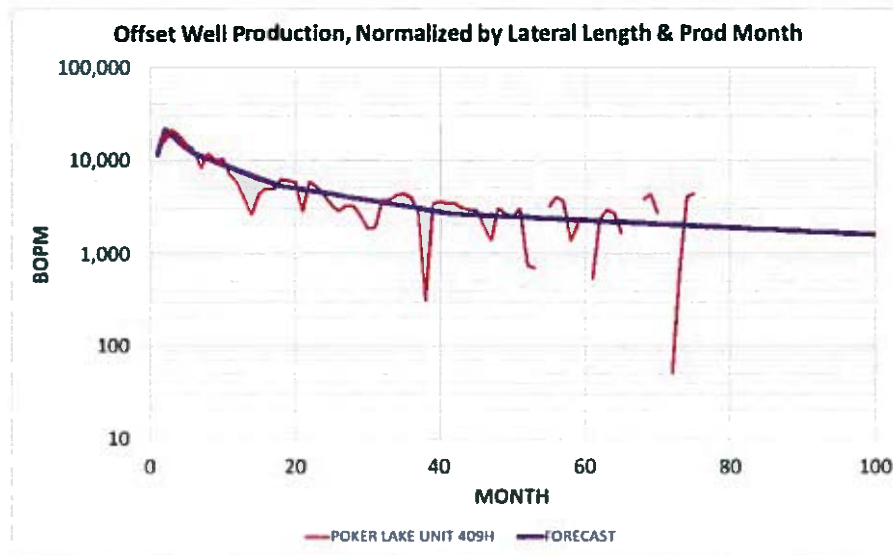
t (months)	De (Annual)	Qi (bopm)
1	-	10,000
4.00	0.92	20,000
15.00	0.68	8,618
24.00	0.35	2,074
	0.10	876

Figure 3: Hyperbolic Decline forecast for Poker Lake Unit 400H, Brushy Canyon



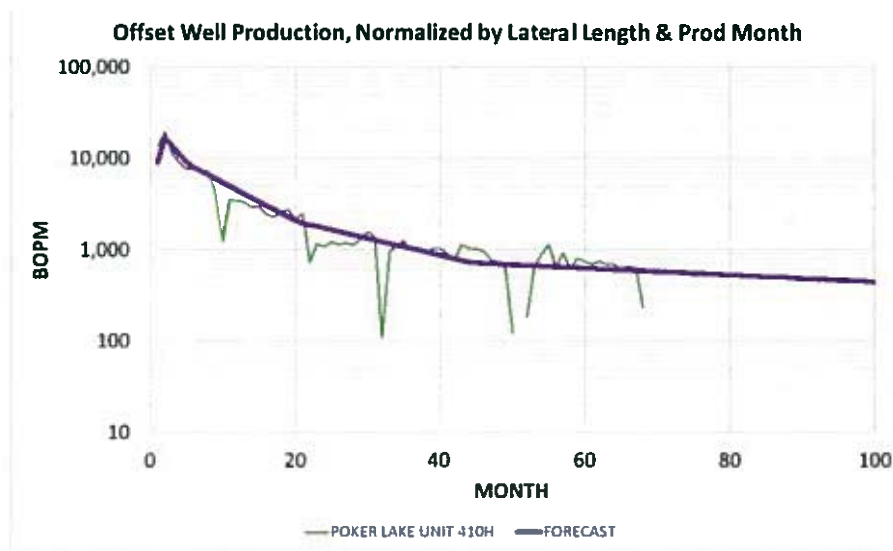
t (months)	De (Annual)	Qi (bopm)
1	-	5,500
4.00	0.92	11,000
12.00	0.55	4,740
24.00	0.30	2,133
	0.10	1,045

Figure 4: Hyperbolic Decline forecast for Poker Lake Unit 402H, Brushy Canyon



t (months)	De (Annual)	Qi (bopm)
<b>1</b>	-	<b>11,500</b>
4.00	0.85	23,000
12.00	0.56	<b>12,221</b>
24.00	0.30	<b>5,377</b>
	0.10	<b>2,635</b>

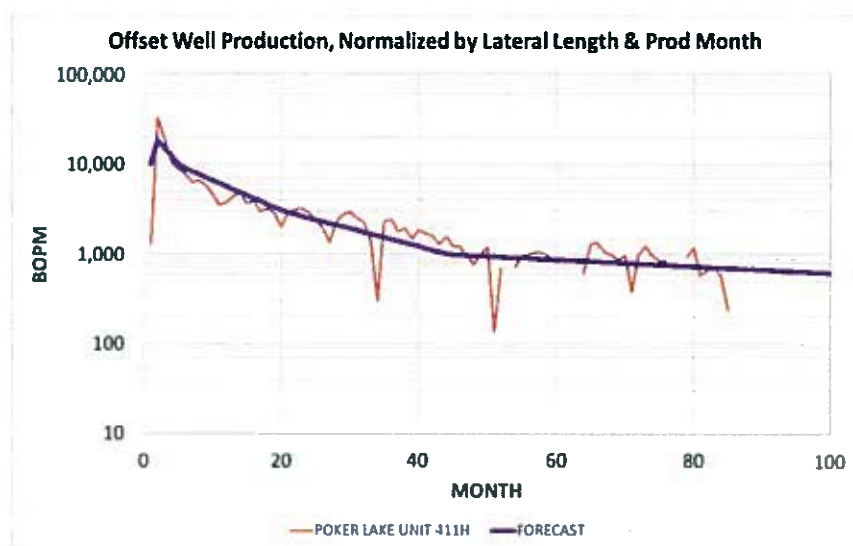
Figure 5: Hyperbolic Decline forecast for Poker Lake Unit 409H, Brushy Canyon



t (months)	De (Annual)	Qi (bopm)
<b>1</b>	-	<b>9,000</b>
4.00	0.90	18,000
15.00	0.68	<b>8,355</b>
24.00	0.40	<b>2,011</b>
	0.10	<b>724</b>

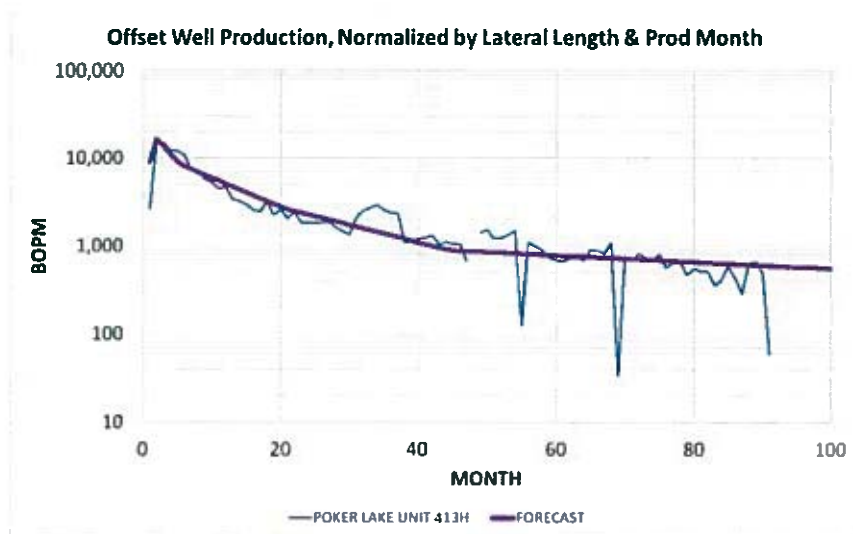
Figure 6: Hyperbolic Decline forecast for Poker Lake Unit 410H, Brushy Canyon





t (months)	De (Annual)	Qi (bopm)
1	-	10,000
4.00	0.90	20,000
15.00	0.60	9,283
24.00	0.42	2,953
	0.10	993

Figure 7: Hyperbolic Decline forecast for Poker Lake Unit 411H, Brushy Canyon



t (months)	De (Annual)	Qi (bopm)
1	-	9,000
4.00	0.90	18,000
15.00	0.60	8,355
24.00	0.42	2,658
	0.10	894

Figure 8: Hyperbolic Decline forecast for Poker Lake Unit 413H, Brushy Canyon

Well Name	API	# Prod Months	Current Monthly Decline Rate, %	Testing Frequency
POKER LAKE UNIT #302H	30-015-37647	113	.874	Test monthly for 24 hours
POKER LAKE UNIT #357H	30-015-39143	96	.874	Test monthly for 24 hours
POKER LAKE UNIT #400H	30-015-40802	81	.874	Test monthly for 24 hours
POKER LAKE UNIT #402H	30-015-41229	45	.874	Test monthly for 24 hours
POKER LAKE UNIT #409H	30-015-41136	75	.874	Test monthly for 24 hours
POKER LAKE UNIT #410H	30-015-40964	68	.874	Test monthly for 24 hours
POKER LAKE UNIT #411H	30-015-39930	85	.874	Test monthly for 24 hours
POKER LAKE UNIT #413H	30-015-39794	91	.874	Test monthly for 24 hours

Table 1: Summary Detail for PLU 89 Battery Wells

