

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3221

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

Attention: Trenis Sondresen

Ute Indians A Well No.36
API No. 30-045-31604
Unit P, Section 27, Township 32 North, Range 14 West, NMPM,
San Juan County, New Mexico
Undesignated Barker Dome-Ismay (Gas 96354),
Undesignated Barker Dome-Akah-Upper Barker Creek (Gas 96352),
Undesignated Barker Dome-Paradox (Gas 71560), and
Undesignated Barker Dome-Desert Creek (Gas 96353) Pools

Dear Ms. Sondresen:

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 and required separation of the zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis unless amended with permission of the Aztec District Office and copied to this office.

Undesignated Barker Dome-Ismay Gas Pool	Oil-10%	Water-9%	Gas-1%
Undesignated Barker Dome-Desert Creek Gas Pool	Oil-0%	Water-6%	Gas-45%
Undesignated Barker Dome-Akah-Upper Barker Creek Gas Pool	Oil-90%	Water-85%	Gas-25%
Undesignated Barker Dome-Paradox Gas Pool	Oil-0%	Water-0%	Gas-29%

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

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 7th day of December 2003.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

LORI WROTENBER

Director

SEAL

LW/wvjj

cc: Oil Conservation Division - Aztec
Bureau of Land Management-Durango