



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3232

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

Attention: Mr. Darrin Steed

*Florance Well No. 72
API No. 30-045-31896
Unit B, Section 19, Township 27 North, Range 8 West, NMPM,
San Juan County, New Mexico
Blanco-Mesaverde (Prorated Gas - 72319),
Basin-Dakota (Prorated Gas - 71599) and
Otero-Chacra (Gas - 82329) Pools*

Dear Mr. Steed:

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 well bore.

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.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Blanco-Mesaverde Gas Pool	Oil-39%	Gas-45%
Otero-Chacra Gas Pool	Oil-0%	Gas-14%
Basin-Dakota Gas Pool	Oil-61%	Gas-41%

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

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.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 20th day of January, 2004.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Division Director

LW/DRC

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