New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Jon Goldstein Cabinet Secretary

Jim Noel Deputy Cabinet Secretary

May 6, 2010

Mark Fesmire Division Director Oil Conservation Division



Administrative Order PLC-327

XTO Energy, Inc. 382 Road 3100 Aztec, NM 87410

Attention: Jennifer Morrow

XTO Energy, Inc ("XTO") is hereby authorized to surface commingle <u>gas production</u> from the following Pools:

South Blanco Pictured Cliffs (72439) Basin Fruitland Coal (71629)

and from the following two diversely owned wells located on Federal leases in Rio Arriba County, New Mexico:

MKL Well No. 2 (**API 30-039-06674**) Unit L of Sec. 5, T26N, R7W, NMPM Rio Arriba County, New Mexico.

MKL Well No. 2R (**API 30-039-24611**) Unit L of Sec 5, T26N, R7W, NMPM Rio Arriba County, New Mexico.

The gas sales point for the commingled production shall be located in Unit L of Section 5, Township 26 North, Range 7 West. Gas production from the wells is approved for off lease measurement and sales. Liquid production shall not be commigled.

Gas production from the wells shall be measured continuously with calibrated allocation meters prior to commingling with production from other wells. The allocation meters shall be calibrated semi-annually.

This approval is subject to like approval by the Bureau of Land Management (BLM) before commencing the commingling operations

The producer/operator shall notify the transporter of this commingling authority.

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The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

DONE at Santa Fe, New Mexico, on May 6, 2010.

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MARK E. FESMIRE, P.E., Acting Division Director

MEF/re

cc: Oil Conservation Division District Office – Aztec Bureau of Land Management (BLM) - Farmington