



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Jim Noel

Cabinet Secretary

Karen W. Garcia

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



November 1, 2010

Administrative Order DHC-4330

Application Reference Number: pTGW1030151094

XTO Energy, Inc.

Attn: Wanett McCauley

**Re: Eaton A Well No. 1R
API No. 30-045-34457**

**Pool: Otero Chacra Gas Pool (82329)
Armenta Gallup (Oil) Pool (2290)
Basin Dakota (Pro Gas) Pool (71599)**

Dear Ms. McCauley:

Reference is made to your application for an exception to Division Rule 12.9A. to permit down hole commingling of production from the subject pools within the above-described wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11A., and that reservoir damage or waste will not result from such down hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described.

In accordance with Division Rule 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and allocation of production from the well shall be as follows:

Otero Chacra Gas Pool	Pct Gas: 24.96%	Pct Oil: 0.23%
Armenta Gallup (Oil) Pool	Pct Gas: 22.75%	Pct Oil: 86.92%
Basin Dakota (Pro Gas) Pool	Pct Gas: 52.29%	Pct Oil: 12.85%

Oil Conservation Division

1220 South St. Francis Drive • Santa Fe, New Mexico 87505

Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD

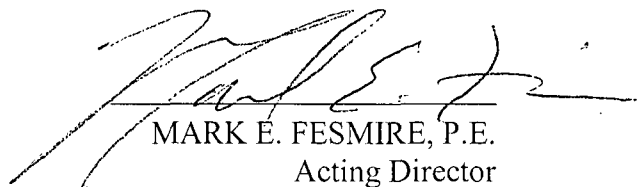


It is our understanding that the above allocation percentages are based on average offset production.

It is also understood that ownership of all interest in the pools from which production is being commingled is identical.

The operator shall notify the Division's Aztec district office upon implementation of commingling operations.

Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



MARK E. FESMIRE, P.E.
Acting Director

MEF/db

cc: Oil Conservation Division – Aztec