

DATE: 11/19/01	SUBMIT: 12/10/01	ENGINEER: DC	LOGGED IN: WJ	TYPE: PLC	APP NO: 0132546207
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- 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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

NOV 19 2001

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners**
- [B] ☐ Offset Operators, Leaseholders or Surface Owner**
- [C] ☐ Application is One Which Requires Published Legal Notice**
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO**
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,**
- [F] ☐ Waivers are Attached**

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] 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.

Ray Martin

Operations Engineer

11/16/01

Print or Type Name

Signature

Title

Date

e-mail Address

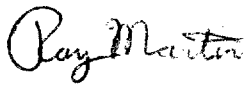
Mr. David Catanach
November 16, 2001
Page Two

The following are enclosed for your review of the proposed surface commingling:

1. Administrative Application Checklist.
2. Well information table.
3. Gas production allocation formula sheet.
4. Battery schematic of proposed installation.
5. Form C-102 Acreage Dedication Plats for both wells.
6. List of interest owners who were notified.
7. Copies of objection letter and XTO's response.

If you need additional information or have any questions, please contact me at (505) 324-1090.

Sincerely,

A handwritten signature in cursive script that reads "Ray Martin".

Ray Martin
Operations Engineer

cc: Oil Conservation Division Aztec
FW Land Dept.
Well Files

WELL INFORMATION

	Prespentt Gas Com #1	Garcia Gas Com B #1M
Location	1,700' FEL & 800' FSL Sec 21, T29N, R10W	805'FSL & 1,730' FEL Sec 21, T29N, R10W
API #	30-045-07952	30-045-30834
Pool	Aztec Pictured Cliffs	Basin DK/Blanco MV
Pool Code	71280	71599 / 72319
Acreage Dedication	SW/4 of Sec. 21	S/2 of Sec. 21
Lease Type	Fee	Fee
Gas Gravity	0.65	0.75 est.
Gas Rate	65 MCFD	300 MCFD est.

**Prespentt Gas Com #1 & Garcia Gas Com B #1M
Gas Allocation Formula**

The Prespentt Gas Com #1's existing gas sales meter will be used as the central distribution point (CDP) gas sales meter for both wells. A new gas meter will be set on the Garcia Gas Com B #1M and used as its allocation meter. See the attached proposed gas surface commingle installation diagram. The Garcia Gas Com B #1M allocation meter will separately measure its gas production. The Prespentt Gas Com #1 gas production will be calculated by difference between the total sales volume from the CDP sales meter and the Garcia Gas Com B #1M's allocation meter volume. El Paso Field Services is the gas transporter for these leases.

Prespentt Gas Com #1 gas production will be calculated as follows:

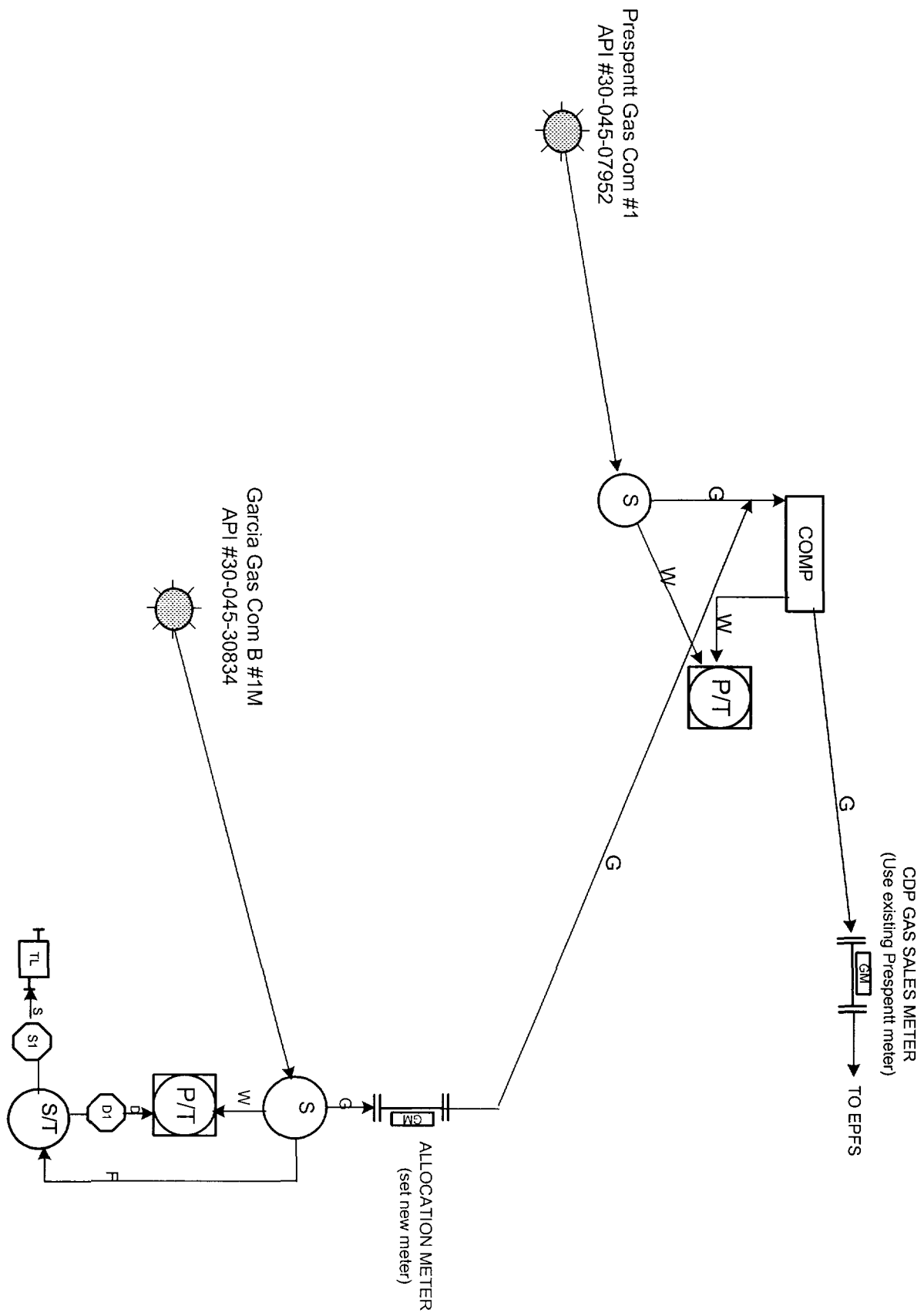
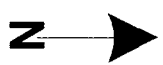
$$\text{Gas Prod.} = [\text{CDP sales meter vol.} - \text{Garcia Gas Com B \#1M allocation meter vol.}] + \text{Allocated compressor \& separator fuel gas vol.}$$

Garcia Gas Com B #1M gas production will be calculated as follows:

$$\text{Gas Prod.} = \text{Garcia Gas Com B \#1M allocation meter vol.} + \text{Allocated compressor \& separator fuel gas vol.}$$

The total fuel gas usage is estimated to be 9 MCFD for the compressor. The compressor's fuel usage will be divided equally between the two wells. During the winter if the well's separator water bath is heated, the fuel gas usage is estimated to be 1 MCFD for the well.

XTO ENERGY INC.
Prespentt Gas Com #1 & Garcia Gas Com B #1M
Proposed Gas Surface Commingling Installation
Location: SW/4 SE/4 SEC 21, T29N,R10W



DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

REC'D / SAN JUAN

AUG 21 2001

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code	⁵ Property Name GARCIA GAS COM B	⁶ Well Number 1M
⁷ OGRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5518'

¹⁰ Surface Location

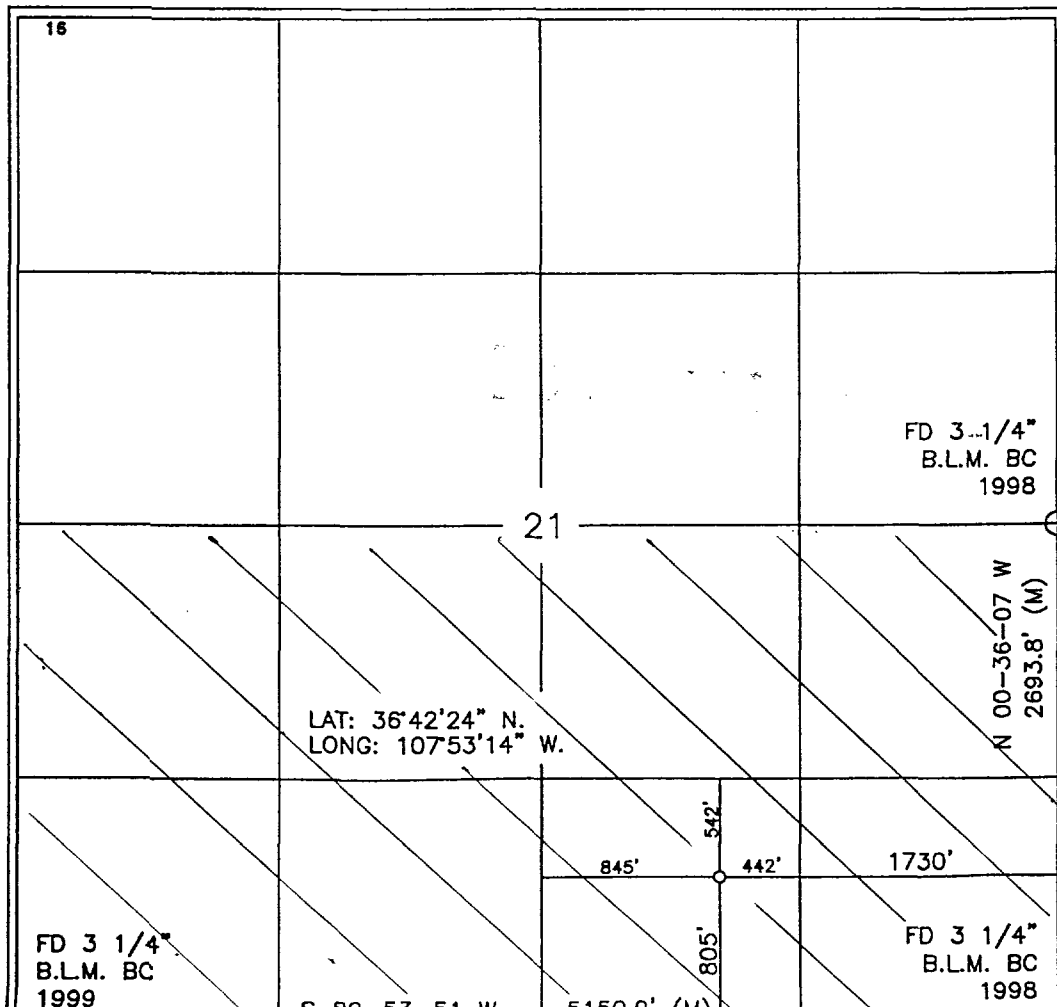
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	21	29-N	10-W		805'	SOUTH	1730'	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320 5/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein
is true and complete to the best of my knowledge and
belief

Signature Jeffrey W. Patton
Printed Name JEFFREY W. PATTON
Title DRILLING ENGINEER
Date 9-17-01

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat
was plotted from field notes of actual surveys made by
me or under my supervision and that the same is true
and correct to the best of my belief

Date of Survey 8-13-01
Signature and Seal of Professional Surveyor

8894
Certificate Number

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

AUG 21 2001

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 72319	³ Pool Name BLANCO MESAVERDE
⁴ Property Code	⁵ Property Name GARCIA GAS COM B	⁶ Well Number 1M
⁷ OGRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5518'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	21	29-N	10-W		805'	SOUTH	1730'	EAST	SAN JUAN

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320 5/2			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p>	<p>21</p>	<p>FD 3 1/4" B.L.M. BC 1998</p>	<p>17</p>
<p>LAT: 36°42'24" N. LONG: 107°53'14" W.</p>		<p>N 00-36-07 W 2693.8' (M)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p>
<p>FD 3 1/4" B.L.M. BC 1999</p>		<p>845' 442' 1730'</p>	<p><i>Jeffrey W. Patton</i> Signature <u>JEFFREY W. PATTON</u> Printed Name <u>DRILLING ENGINEER</u> Title <u>9-17-01</u> Date</p>
<p>FD 3 1/4" B.L.M. BC 1998</p>		<p>805' 542'</p>	<p>18</p>
<p>S 80-53-51 W 5150.9' (M)</p>		<p>FD 3 1/4" B.L.M. BC 1998</p>	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief</p>
<p>8-13-01</p>		<p>8894</p>	<p><i>Jeffrey W. Patton</i> Signature and Seal of Professional Surveyor</p>
<p>8894</p>		<p>Certificate Number</p>	

Well Location and Acreage Dedication Plat

Section A.

Date JULY 26, 1957

Operator PAN AMERICAN PETROLEUM CORP. Lease PRESPENIT GAS UNIT
 Well No. 1 Unit Letter 0 Section 21 Township 29 NORTH Range 10 WEST NMPM
 Located 800 Feet From the SOUTH Line, 1700 Feet From the EAST Line
 County SAN JUAN G. L. Elevation * Dedicated Acreage 160 Acres
 Name of Producing Formation Pictured Cliffs Pool Aztec-Pictured Cliffs

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
 Yes X No _____
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes", Type of Consolidation.

3. If the answer to question two is "no", list all the owners and their respective interests below:

Owner	Land Description
<u>*To be reported later</u>	

Section B.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

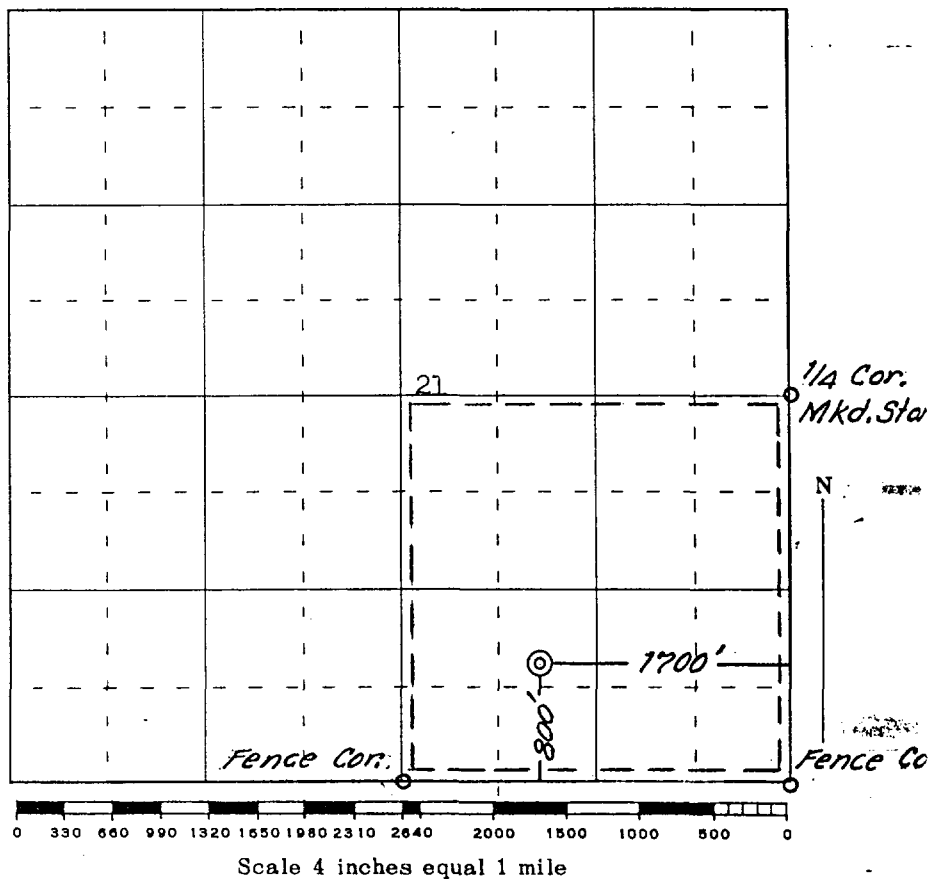
PAN AMERICAN PETROLEUM CORPORATION

(Operator)
R. M. BAUER, JR. *RMBauer Jr.*

(Representative)
BOX 487, FARMINGTON, NEW MEXICO

(Address)

Note: All distances must be from outer boundaries of section.



This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed 5 JULY 1957

James P. Leese
 Registered Professional Engineer and/or Land Surveyor
 James P. Leese

Garcia Gas Com B #1M & Prespentt Gas Com #1 Surface Comingle

OWNER NAME/ADDRESS	INTEREST TYPE	OWNER NAME/ADDRESS	INTEREST TYPE
JOHNNY F ARCHULETA 224 CR 4800 BLOOMFIELD, NM 87413	R	SHIRLEY ANGELINA GARCIA 3327 TESS AVE SALT LAKE CITY, UT 84119	R
MANUEL & SHARON WEAHKEE AND DANIEL L & NATHANIEL N WEAHKEE JOINT TENANTS 1803 E HIGHWAY 64 BLOOMFIELD, NM 87413-9522	R	LUCIA GONZALES ACCT #043607146 C/O FIRST NTL BK OF BLOOMFIELD 1200 WEST BROADWAY BLOOMFIELD, NM 87413	R
ERNESTINE A JEFFERIES 5804 ORCHID LN DALLAS, TX 75230	R	ADRIENNE SUE CHAPMAN 2975 BOOKCLIFF AVE GRAND JUNCTION, CO 81504-4900	R
BETTY ROGERS CONLEY REV TRUST WELLS FARGO BANK NEW MEXICO NA OGM MAC C7324-038 PO BOX 5383 DENVER, CO 80217	R	BEEBE, INC. C/O WARREN F. REAMS, PRESIDENT PO BOX 118 (660 WHITE AVE) GRAND JUNCTION, CO 81502	R
FRANCES O GALLEGOS 11 ROAD 4725 BLOOMFIELD, NM 87413-9503	R	JAMES L GODWIN RT 2 BOX 135 LINDSAY, OK 73052-9657	R
ROBERT L GODWIN PO BOX 1314 WEST YELLOWSTONE, MT 59758	R	KAY DONNA GRAHAM PO BOX 267 BLANCHARD, OK 73010-0267	R
KATHARINE A SHOEMAKER 7308 W COUNTRY CLUB DR ARLINGTON, WA 98223-5944	R	ANN G BROWN 1843 US HWY 64 BLOOMFIELD, NM 87413	R
LOIS E. ROWLEY P.O. BOX 1578 SILVERTHORNE, CO 80498-1578	R	FELIX DASHEN 8430 NE 17TH STREET BELLEVUE, WA 98004-3243	R
L G KRIEGER TEST TRUST MARGERY M KRIEGER & COLORADO COMMUNITY 1ST NATL. TRUSTEES 3800 ARAPAHOE AVENUE BOULDER, CO 80303-1070	O	STEVE A. AND GAIL ARCHULETA JOINT TENANTS 228 CR 4800 BLOOMFIELD, NM 87413-9203	R
PERRY BAKER HALL 925 SHEPHERD LN TYLER, TX 75701-9019	O	DAVID J ARCHULETA 220 CR 4800 BLOOMFIELD, NM 87413	R
LAWREN LYDIAN HALL 4701 CADUCEUS PLACE GALVESTON, TX 77551	O	HALLYE D JORDAN 2178 MARSHALL WAY SACRAMENTO, CA 95818-3544	O
KEITH PERRY JORDAN 4218 MARKHAM ST HOUSTON, TX 77027-6235	O	CANDACE L KELTON COX 17 S MEADOW RIDGE CONCORD, MA 01742-3000	W,O

RUTH JEAN RUGGIERO 14997 PORTOFINO CR SAN LEANDRO, CA 94578	R	LAURA JEAN BUTHORN 3626 WEST COMMODORE SEATTLE, WA 98199	R
GEORGIA KELTON FERGEN 5500 OLD CLARKSVILLE RD PARIS, TX 75462-7800	W,O	MALCOLM C. TODD ESTATE WILLIAM R. TURNER, EXCUTOR 888 S. FIGUEROA, STE 860 LOS ANGELES, CA 90017	W
GLADYS MURPHY *****BAD ADDRESS*****	W	WILLIAM J THORTON *****BAD ADDRESS*****	W
JACK C AND LOUISE KOHN *****BAD ADDRESS*****	W	MOULTON B GOFF *****BAD ADDRESS*****	W
MARY ROSE ORTEL PO BOX 4222 HORSESHOE BAY, TX 78657-4222	O	DANIEL OREWILER 611 S BROADWAY PENDLETON, IN 46064-1303	R
M. JUNE BIXLER 4505 SOUTH YOSEMITE ST #346 DENVER, CO 80237-2539	R	PHYLLIS PHILLIPY PO BOX 53013 INDIANAPOLIS, IN 46253-0013	R
SHIRLEY LINDER HOOPER TRUST C/O RONALD M HEM, ESQ. POA WILDMAN, HARROLD, ALLEN & DIXN 1961 WEST DOWNER PLACE AURORA, IL 60506	R	UBALDO MADRID SR TRUST AND VERSA M MADRID TRUST UBALDO MADRID SR TRUSTEE 600 VENADA CIRLCE FARMINGTON, NM 87401-3951	R
EMMETT L AND CLEO NORTON AS JOINT TENANTS 511 CONCHO FARMINGTON, NM 87401-6765	R	CARLOS AND SOFIE GURULE JOINT TENANTS 209 ROAD 4800 BLOOMFIELD, NM 87413-0000	R
JOSEPH F AND EMILIA BURNS 415 ANIMAS AZTEC, NM 87410-2269	R	CECILIA CHAVEZ, DECEASED 2347 MARACOPA AVE RICHMOND, CA 94804-1007	R
WALTER A FARMER ESTATE MARGARET M B FARMER, ADMIN 449 ST GEORGE RD STATEN ISLAND, NY 10306-1553	R	LLOYD AND DEBBIE ARMENTA JOINT TENANTS 1857 U S HIGHWAY 64 BLOOMFIELD, NM 87413-9522	R
C L M ENTERPRISES PO BOX 708 ESTANCIA, NM 87016-5003	R	ESEQUIEL PRESPENTT 240 RD 4800 BLOOMFIELD, NM 87413	R
JOSE PRESPENTT 250 RD 4800 BLOOMFIELD, NM 87413	R	CLARENCE EDWIN MASON JR 810 RAMADA DR. HOUSTON, TX 77062-5608	W
CORRINE RITCHEY P O BOX 98 BLOOMFIELD, NM 87413	R	ALBERT ROYBAL 188 CR 4800 BLOOMFIELD, NM 87413	R
SUSAN TERRY HUNTER P.O. BOX 1156 CEDAR CREST, NM 87008	R	FARMER OIL AND GAS PROPERTIES LLC 17235 N 75TH AVE STE C160 GLENDALE, AZ 85308	R

MERRIL J. ALEXANDER & FRANCES A. ALEXANDER REVOCABLE TRUST FRANCES A. ALEXANDER, TRUSTEE 1330 SYCAMORE AVENUE MODESTO, CA 95350	R	GARY R. FARMER TRUST DATED 12/31/97 ROGER J. BOLAN, TRUSTEE C/O ROGER J. BOLAN, P.C. 17235 N. 75TH AVE., STE C160 GLENDALE, AZ 85308	R
CHRIS MICHAEL CRAIN 4507 DAY COURT FAYETTEVILLE, NC 28314	R	CHERYL L MELLENTIN 1884 BOSTIK ROAD CAT SPRING, TX 78933-5306	W
ROGER K STEWART 7014 N MISSION HILLS LANE TUCSON, AZ 85718-1816	W	MATHIAS FAMILY TRUST 9/9/81 452 MAIDSTONE LANE THOUSAND OAKS, CA 91320	W
MARCIA WHITTLE TR DTD 12/31/97 ROGER J. BOLAN, TRUSTEE C/O ROGER J. BOLAN, P.C. 17235 N. 75TH AVE., STE C160 GLENDALE, AZ 85308	R		



RFM ✓
WF _____

September 12, 2001

Phyllis G. Phillipy
P.O. Box 53013
Indianapolis, IN 46253-0013

Dear Ms. Phillipy:

We have received your letter of objection to surface commingling the Garcia Gas Com B #1M (new Dakota/Mesaverde well) with the Prespentt Gas Com #1 (existing Pictured Cliffs gas well). I would ask that you withdraw your objection for the following reasons:

The gas from the new Garcia Gas Com B #1M well will be measured before it is commingled with the gas stream from the Prespentt Gas Com #1 well. Simple arithmetic deducting the gas volume from the Garcia Gas Com B #1M from the total gas volume will yield the gas volume from the Prespentt Gas Com #1. There is little chance for confusion in the equitable gas distribution. Liquids production will be maintained separately.

Commingling production from the two wells will allow XTO Energy to utilize an existing gas compressor already in place on the Prespentt Gas Com #1 location. The gas compressor will allow us to produce the new Garcia Gas Com B #1M at a higher rate. Setting an additional compressor would add to the operating costs of both wells and cause the wells to reach their economic limit at a higher gas rate. This would result in a waste of the resource that a prudent operator should avoid. Also, an additional compressor would result in additional hardship to the family living nearby by increasing sound levels in their home. If commingling of these two wells is not allowed, the Garcia Gas Com B #1M would probably not benefit from the available compressor.

Commingling production in this matter is becoming more common as the gas production in the San Juan basin becomes more mature and it becomes necessary to use compression to allow well to continue to produce. If you own mineral interests in other wells you will probably be receiving more requests for commingling, both surface and downhole. Fifteen of the sixteen mineral interest owners affected have not objected to commingling production from these two wells.

Should you continue in your objection to commingling gas production from these two wells, the question would come before the New Mexico Oil and Gas Conservation Division at a hearing in Santa Fe, New Mexico. You would be able to be present and testify to your objection at this hearing. Should a hearing be necessary, you will be notified of the date and time of the hearing.

Should you decide to withdraw your objection, please sign the enclosed letter and return it in the self addressed stamped envelope.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary L. Markestad", written over a horizontal line.

Gary L. Markestad
Vice President - Operations
San Juan District

After further consideration I hereby withdraw my objection to commingling production from the Garcia Gas Com B #1M well and the Prespentt Gas Com #1 well.

Phyllis G. Phillipy

REC'D / SEP 07 2001

Phyllis G. Phillipy
PO Box 53013
Indianapolis, IN 46253-0013
September 4, 2001

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

RE: Notice of Application to Surface Commingle
Garcia Gas Com B #1M & Prespentt Gas #1
Sec. 21, T29N, R10W
San Juan County, NM

Gentleman-

On August 29, 2001 I received your letter of August 24, 2001 regarding the plan to commingle gas production from the Garcia Gas B#1M (new drill Mesaverde/Dakota well) and the Prespentt Gas Com #1 (existing Picture Cliffs well).

By the very nature of possible confusion in equitable distribution in commingled distribution, I feel I must object to such an arrangement.

Commingling leaves an avenue of error that a prudent person should definitely avoid.

Sincerely,

Phyllis G. Phillipy



August 24, 2001

RE: Notice of Application to Surface Commingle
Garcia Gas Com B #1M & Prespentt Gas Com #1
Sec 21, T29N, R10W
San Juan County, NM

XTO Energy Inc. (formerly Cross Timbers Operating Company) plans to surface commingle gas production from the Garcia Gas Com B #1M (new drill Mesaverde/Dakota well) and the & Prespentt Gas Com #1 (existing Pictured Cliffs well). We plan to produce the commingled gas through the compressor that is on the Prespentt Gas Com #1 location. Sharing a compressor will lower operating costs and reduce fuel gas usage versus independently compressing gas from each well. The lower operating costs (vs. independent compression) resulting from a shared compressor will extend the economic lives of both wells, thus increasing their ultimate recoveries.

A gas allocation meter will be set on the Garcia Gas Com B #1M. The gas meter on the Prespentt Gas Com #1 will be used as the central distribution point (CDP) gas sales meter for both wells. The Garcia Gas Com B #1M gas production will be measured independently by its own gas allocation meter. The Prespentt Gas Com #1 gas production will be calculated by the difference between the CDP gas sales meter volume and the Garcia Gas Com B #1M gas allocation meter volume. The compressor fuel usage will be divided between the wells. The oil and water production from each well will be kept separate and not surface commingled.

NMOCD requires all interest owners be notified prior to surface commingling when ownership is different between wells. If you need additional information or have any questions, I may be contacted at (505) 324-1090. If you have an objection to our application, please contact me within 20 days of the date of this letter.

Sincerely,

A handwritten signature in cursive script that reads 'Ray Martin'.

Ray Martin
Operations Engineer

xc: Well Files
Ft. Worth Land Dept.
RFM