

District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.

30-045-31913

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name:

SCHWERTFEGER A

8. Well Number

25

9. OGRID Number

167067

10. Pool name or Wildcat

BLANCO MESAVERDE / OTERO CHACRA

## SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

XTO Energy Inc.

3. Address of Operator

2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

4. Well Location

Unit Letter E: 2485 feet from the NORTH line and 925 feet from the WEST lineSection 21 Township 27N Range 08W NMPM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

6712' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐OTHER: DOWNHOLE COMMINGLE ☒

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOB ☐OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy Inc. proposes to downhole commingle this well per attached documents.

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

SIGNATURE Holly C. Perkins TITLE REGULATORY SPECIALIST DATE 2/23/04Type or print name HOLLY C. PERKINSTelephone No. 505-324-1090

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE FEB 24 2004

Conditions of approval, if any:



February 20, 2004

Mr. Frank Chavez  
New Mexico Oil Conservation Division  
1000 Rio Brazos Rd.  
Aztec, New Mexico 87410

RE: Administrative approval to Downhole Commingle  
Schwerdtfeger A #25  
2,485' FNL & 925' FWL Sec. 21, T 27 N, R 08 W  
San Juan County, New Mexico

Dear Mr. Chavez:

XTO Energy Inc. respectfully request approval to downhole commingle production from the Otero Chacra and Blanco Mesaverde pools in the Schwerdtfeger A #25. Attached for your reference are the following exhibits:

1. Sundry Notice (NMOCD From C-103)
2. 9 Section EUR's used for Production Allocation.

The Schwerdtfeger A #25 is currently being permitted by XTO Energy, Inc as a Otero Chacra / Blanco Mesaverde well. It is proposed to downhole commingle both zones upon completion of the well. The anticipated formation and potential perforations depths for the Otero Chacra is 3,715'-4,397' and the Blanco Mesaverde is 4,397'-5,444'.

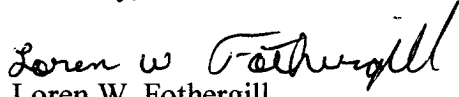
Based upon the 9 Section EUR's for the Blanco Mesaverde formation and the Otero Chacra, the following allocation percentages were determined:

Blanco Mesaverde (72319)	Oil 100%	Water 100 %	Gas 76 %
Otero Chacra (82329)	Oil 0%	Water 0 %	Gas 24 %

Both pools have common interest owners. Commingling both zones will not reduce the ultimate recovery of either pool. Downhole commingling will improve recovery of liquids, eliminating redundant surface equipment and maximize compressor efficiency. Notice has been filed with the BLM on Form 3160-5 concerning this matter.

XTO Energy Inc. request your Administrative Approval to downhole commingle the Chacra and Mesaverde pools based upon the above information. Should you need any additional information please contact me at (505) 324 1090.

Sincerely,



Loren W. Fothergill  
Production Engineer

Enclosures

Cc: GLM

LWF

TDL

George Cox – FTW Land  
Well File