

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

5. Lease Serial No.
NMSF079319

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
SCHWERTFEGER A 3F

9. API Well No.
30-045-31051

10. Field and Pool, or Exploratory
MV / DK / CH / *Mancos*

11. County or Parish, and State
SAN JUAN COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
XTO ENERGY INC.

Contact: HOLLY PERKINS
E-Mail: Holly_Perkins@xtoenergy.com

3a. Address
2700 FARMINGTON AVE, BLDG K, SUITE 1
FARMINGTON, NM 87401

3b. Phone No. (include area code)
Ph: 505.324.1090 Ext: 4020
Fx: 505.564.6700

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 6 T27N R08W SENW 2385FNL 2580FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Subsurface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

FIELD & POOL: Otero Chacra/Blanco Mesaverde/WC *Mancos* ~~Gallup~~/Basin Dakota

Please find attached an application form requesting administrative approval to downhole commingle this well. The Dakota, Gallup, Mesaverde and Chacra formations occupy a common lease. All supporting data for the Dakota, Mesaverde and Chacra was submitted with the Florance #66F sundry.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #13452 verified by the BLM Well Information System
For XTO ENERGY INC., sent to the Farmington
Committed to AFMSS for processing by Matthew Halbert on 09/05/2002 ()**

Name (Printed/Typed) DARRIN STEED

Title OPERATIONS ENGINEER

Signature (Electronic Submission)

Date 08/09/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By */s/ Jim Lovato*

Title

Date **SEP 26 2002**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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NMOCD



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

AMENDED ADMINISTRATIVE ORDER DHC-3025-A

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

REC'D / SAN JUAN

JUL 22 2002

Attention: Mr. Darrin Steed

*Schwerdtfeger A No. 3F
API No. 30-045-31051
Unit F, Section 6, Township 27 North, Range 8 West, NMPM,
San Juan County, New Mexico
Basin-Dakota (Prorated Gas - 71599),
Wildcat-Gallup (Gas),
Otero-Chacra (Gas - 82329), and
Blanco-Mesaverde (Prorated Gas - 72319) Pools*

Dear Mr. Steed:

The existing order is hereby modified to add the Gallup Formation - creating a four (4) zone down hole commingle. 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 wellbore.

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 or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

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

Wildcat-Gallup Gas Pool	Oil-17%	Gas-8%
Otero-Chacra Gas Pool	Oil-0%	Gas-12%
Blanco-Mesaverde Prorated Gas Pool	Oil-33%	Gas-45%
Basin-Dakota Prorated Gas Pool	Oil-50%	Gas-35%

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 17th day of July 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery (WJD)

LORI WROTENBERY
Director

LW/WVJ

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



July 11, 2002

Ms. Lori Wrotenberry
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RE: Application for Exception to Rule 303-C – Downhole Commingling
Schwerdtfeger A #3F
Unit F, Sec 6, T-27-N R-8-W
Otero Chacra, Blanco Mesaverde, Wildcat Gallup and Basin Dakota Pools
San Juan County, New Mexico

Dear Ms. Wrotenberry,

Enclosed please find an administrative application form (C-107A) and attachments for downhole commingling the captioned well. XTO Energy Inc. (XTO) plans to complete all four zones in succession with an expected total commingled rate of about 3 BOPD, 2 BWPD and 900 MCFPD. The ownership (WI, NRI and ORRI) of these pools are identical in this wellbore. Downhole commingling in this manner will offer an economic method of production while protecting against reservoir damage, waste of reserves and violation of correlative rights. Offset operators have been sent a copy of this application by certified mail.

This well is located 1-1/2 miles north of the Florance #66F. A downhole commingling application was sent with supporting documentation in May 2002. Due to both wells close proximity XTO would like to also use that information for this application. The downhole commingling order for the Florance #66F is DHC-3011.

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

Sincerely,
XTO ENERGY INC


Darrin L. Steed
Operations Engineer

Enclosures

Cc: DLS File
Well File
GLM

C:\Work\Schwerdtfeger A #3FDHT application1.doc

District I
1625 N. Fourth Street, Santa Fe, NM 87505

District II
1201 W. Grand Avenue, Santa Fe, NM 87505

District III
3000 N. Fourth Street, Santa Fe, NM 87505

District IV
1220 S. St. Francis St., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

XTO Energy Inc. 2700 Farmington Ave., Bldg. K, Ste 1, Farmington, NM 87401
Operator Address

Schwerdtfeger A 3F F-6-T27N-R8W San Juan
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 167067 Property Code API No. 30-045-31051 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Otero Chacra	Blanco Mesaverde	
Pool Code	82329	72319	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est 3,968' - 3,978' (Perforated)	Est 5,020' - 5,440' (Perforated)	
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforations in the lower zone is within 150% of the depth of the top perforations in the upper zone)	Est. 915 psig	Est. 1,098 psig	
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1204 BTU	1300 BTU	
Producing, Shut-In or New Zone	New Zone	New Zone	
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Est. Rates: 0 BOPD 0 BWPD 110 MCFFD	Date: Est. Rates: 0.6 BOPD 0.6 BWPD 405 MCFFD	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or exploration will be required.)	Oil Gas 0 % 12 %	Oil Gas 33 % 45 %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Dennis Stood TITLE Operations Engineer DATE July 11, 2002

District I
1615 N. Fourth Street, Hobbs, NM 88240
District II
1201 W. Grand Avenue, Artesia, NM 88210
District III
9800 Rio Grande Blvd., Alamogordo, NM 88310
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

XTO Energy Inc. 2700 Farmington Ave., Bldg. K, Ste 1, Farmington, NM 87401
Operator Address

Schwerdtfeger A 3F F-6-T27N-R8W San Juan
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 167067 Property Code API No. 30-045-31051 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name		Wildcat Gulch MABUCS 96925	Basin Dakota 71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)		Est 6,620' - 6,750' (Perforated)	Est 7,400' - 7,600' (Perforated)
Method of Production (Flowing or Artificial Lift)		Flowing	Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)		Est. 1,150 psig	Est. 780 psig
Oil Gravity or Gas BTU (Degrees API or Gas BTU)		1156 BTU	1238 BTU
Producing, Shut-In or New Zone		New Zone	New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Est. Rates: 0.1 BOPD 0.1 BWPD 150 MCFFD	Date: Est. Rates: 1.3 BOPD 2.3 BWPD 235 MCFFD
Fixed Allocation Percentage (Note: If allocation is based upon commingling other than current or past production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas 17 % 8 %	Oil Gas 51 % 35 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

If this well is on, or communized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

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- Data to support allocation method or formula.
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- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Warren Reed TITLE Operations Engineer DATE July 11, 2002

Schwerdtfeger A #3F												
NW/4 Section 6 T-27-N R-8-W												
Lease	Well #	Sec	Twp	Rng	Chacra		Mesaverde		Gallup		Dakota	
					EUR MMCF	CUM MBO	EUR MMCF	CUM MBO	EUR MMCF	CUM MBO	EUR MMCF	CUM MBO
Florance D LS	9	17	27N	8W	536	0.0						
Florance D LS	17	17	27N	8W	169	0.0						
Florance LS	4A	18	27N	8W	206	0.3						
Florance	66	18	27N	8W	36	0.0						
Navajo Indian B	3	19	27N	8W	352	0.0						
Florance	67	19	27N	8W	481	0.0						
Blanco	25	12	27N	9W	352	0.0						
John Charles	6A	13	27N	9W	160	0.0						
John Charles	8	13	27N	9W	712	0.0						
John Charles	7E	13	27N	9W	599	0.0						
Huerfano Unit	77	24	27N	9W	191	0.0						
Jernigan	3A	24	27N	9W	437	0.0						
Day B	5	7	27N	8W			1,450	8.3				
Day B	2	7	27N	8W			1,800	10.3				
Schwerdtfeger A	6M	8	27N	8W			263	0.5				
Schwerdtfeger A	20M	8	27N	8W			1,231	4.8				
Schwerdtfeger A	14	8	27N	8W			1,456	8.5				
Schwerdtfeger A	13	8	27N	8W			1,770	12.8				
Florance D LS	10	17	27N	8W			1,268	5.7				
Florance D LS	9	17	27N	8W			2,656	11.5				
Florance	64	17	27N	8W			1,192	1.3				
Florance	63M	17	27N	8W			746	1.2				
Florance	63E	17	27N	8W			618	0.7				
Florance	4	18	27N	8W			2,685	15.0				
Florance	4A	18	27N	8W			636	1.5				
Florance D LS	11	18	27N	8W			2,139	9.0				
Florance	66	18	27N	8W			864	1.4				
Navajo B	6M	19	27N	8W			650	4.2				
Florance	67	19	27N	8W			776	0.5				
Florance D LS	12	19	27N	8W			2,898	16.2				
Navajo Indian B	3	19	27N	8W			950	1.6				
Florance D LS	4	20	27N	8W			1,084	0.5				
Florance	62	20	27N	8W			1,023	1.9				
Florance	62M	20	27N	8W			264	0.7				
Florance D LS	13	20	27N	8W			2,089	11.2				
Florance D LS	4A	20	27N	8W			141	1.4				
Blanco	2A	12	27N	9W			723	2.5				
Blanco	2	12	27N	9W			3,048	13.5				
Blanco	4	12	27N	9W			2,828	15.0				
Blanco	4A	12	27N	9W			590	0.1				
John Charles	7B	13	27N	9W			630	0.2				
John Charles	7	13	27N	9W			3,024	13.1				
John Charles	7A	13	27N	9W			1,328	5.2				
John Charles	6	13	27N	9W			3,005	15.9				
John Charles	6A	13	27N	9W			765	4.9				
Jernigan	3	24	27N	9W			584	10.0				
Huerfano Unit	77A	24	27N	9W			478	2.5				
Huerfano Unit	77	24	27N	9W			382	2.9				
Jernigan	3A	24	27N	9W			215	2.9				
Day B	4	7	27N	8W							1,078	4.7
Day B	3	7	27N	8W							1,127	9.9
Schwerdtfeger A	6M	8	27N	8W							732	4.1
Schwerdtfeger A	6	8	27N	8W							1,676	15.9
Schwerdtfeger A	20M	8	27N	8W							286	3.2
Schwerdtfeger A	20	8	27N	8W							1,775	14.3
Florance	64	17	27N	8W							528	7.2
Florance	63M	17	27N	8W							1,211	15.4
Florance	63E	17	27N	8W							755	5.5
Florance	65	18	27N	8W							1,702	9.1
Florance	66	18	27N	8W							2,270	26.1
Florance	66E	18	27N	8W							625	3.1
Navajo B	6	19	27N	8W							620	4.1
Navajo B	6M	19	27N	8W							270	1.5
Florance	67	19	27N	8W							459	8.5
Florance	68	20	27N	8W							482	5.3

Schwerdtfeger A #3F												
NW/4 Section 6 T-27-N R-8-W												
Lease	Well #	Sec	Twp	Rng	Chacra		Mesaverde		Gallup		Dakota	
					EUR MMCF	CUM MBO	EUR MMCF	CUM MBO	EUR MMCF	CUM MBO	EUR MMCF	CUM MBO
Florance	62	20	27N	8W							1,062	23.2
Florance	62M	20	27N	8W							737	1.8
Charles et al	2E	12	27N	9W							588	3.6
Charles et al	1E	12	27N	9W							605	1.7
Charles et al	2	12	27N	9W							941	4.6
Charles et al	1	12	27N	9W							675	3.2
Ramenta et al	1	13	27N	9W							800	6.6
John Charles	7	13	27N	9W							475	5.2
John Charles	7E	13	27N	9W							781	4.0
Ramenta et al	1E	13	27N	9W							375	1.5
Huerfano Unit	97	24	27N	9W							3,331	38.8
Jemigan	3	24	27N	9W							2,545	26.2
Schwerdtfeger A	5E	6	27N	8W					236	3		
Totals					4,231	0.3	48,245	219.4	236.0	3.0	28,511	258.3
Average					353	0.0	1,304	5.9	236.0	3.0	1,018	9.2

Proposed Allocations

	Gas %	Oil %
Chacra	12%	0%
Mesaverde	45%	33%
Gallup	8%	17%
Dakota	35%	51%

Average Temperature and Deviation Factor Method for Calculating Static Bottom Hole Pressure	
Schwerdtfeger A #5E (Gallup)	

[illegible]