e-mail Address

DSen0428252296

ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



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		ADMINISTRATIVE APPLICATION CHECKLIST
TH	HIS CHECKLIST IS M	ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Applic	ation Acronyms	
	[DHC-Dowi	ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  ol Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  lified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	[A]	PLICATION - Check Those Which Apply for [A]  Location - Spacing Unit - Simultaneous Dedication  NSL NSP SD
	Check [B]	One Only for [B] or [C]  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
[2]	NOTIFICATI [A]	ION REQUIRED TO: - Check Those Which Apply, or □ Does Not Apply  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]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE ATION INDICATED ABOVE.
	val is <b>accurate</b> a	<b>FION:</b> I hereby certify that the information submitted with this application for administrative and <b>complete</b> to the best of my knowledge. I also understand that <b>no action</b> will be taken on this quired information and notifications are submitted to the Division.
	Note:	Statement must be completed by an individual with managerial and/or supervisory capacity.
D.	T	
Print o	r Type Name	Signature Title Date



# RECEIVED

OCT 0 7 2004

OIL CONSERVATION DIVISION

2700 Farmington Ave, K-1 Farmington, NM 87401 Phone: (505) 324-1090 FAX: (505) 564-6700

September 10, 2004

Mr. William Jones New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505 Mr. Jim Lovato Bureau of Land Management 1235 LaPlata Hwy Farmington, NM 87401

Subject: Proposed Surface Commingle and Off-lease Measurement

Stanolind Gas Com B #1 CDP; San Juan County, NM Federal Leases NMNM99310, NMNM03371, CA: SRM1515

Dear Mr. Jones & Mr. Lovato:

XTO Energy Inc. requests administrative approval for surface commingling and off-lease measurement of natural gas produced from the wells operated in the Stanolind Gas com B CDP #1. (list of wells attached). These wells are located in Sec 09, T32N, R12W in San Juan County, New Mexico. Lease/Agreement numbers for the proposed commingled wells are: NMNM99310, NMNM03371, SRM1515

XTO plans to produce the commingled gas through a central compressor, thus lowering operating expenses and extending the economic life of the wells, thus increasing their ultimate recoveries on all Indians and non-Indian leases. The anticipated fuel requirements for each well is also presented, and currently we anticipate the only fuel requirements to be for pumping unit engines, separators and for the compressor engine. There are no bypass gas lines for this system.

Each well will be equipped with allocation meters, which will be maintained by XTO Energy in accordance with State and Federal Regulations (Onshore Order No. 5). To ensure the initial system integrity, all flowlines will be pressure tested appropriately. Produced liquids will not be surface commingled. All interest owners have been notified via certified mail, return receipt, on May 4, 2004.

The following attachments are included with this application:

Form C107B (application for surface commingle: diverse ownership)

Map of all wells and their associated leases

Form C-102 for each well (plats)

Table of well & lease information, spacing, permits, lease numbers, gravities/BTU, MCF

Schematic diagram showing all flowlines, compressors & equipment

Details of allocation formula, including line purging and venting

Letter to WI, NRI & ORRI owners & list of owners

**Administrative Application Checklist** 

Sincerely.

Hölly C. Pjerkins

Regulatory Compliance Tech

xc: OCD, Aztec Office

District I

1625 N. French Drive, Hobbs, NM 88240

District II 1301 W. Grand Ave, Artesia, NM 88210 District III

1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St Francis Dr, Santa Fe, NM 87505

E-MAIL ADDRESS: Holly\_perkins@xtoenergy.com

State of New Mexico Energy, Minerals and Natural Resources Department

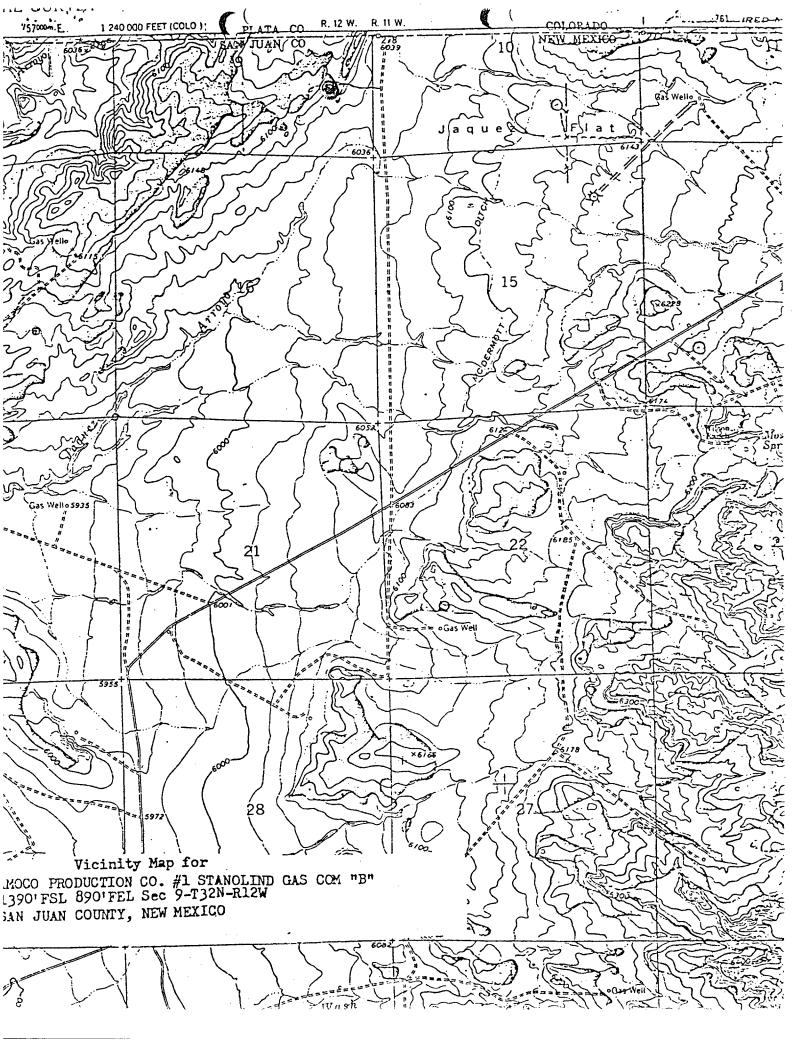
Form C-107-B Revised June 10, 2003

### **OIL CONSERVATION DIVISION**

1220 S. St Francis Drive Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)							
OPERATOR NAME: XTO EN	ERGY INC.						
OPERATOR ADDRESS: 2700 FA	RMINGTON AVE, SU	JITE K-1					
APPLICATION TYPE:							
Pool Commingling Lease Commingling			Storage and Measu	rement (Only if not Surfac	e Commingled)		
LEASE TYPE:  Fee	State X Feder						
Is this an Amendment to existing Order							
Have the Bureau of Land Management  X Yes □No	(BLM) and State Land	office (SLO) been not	ified in writing o	of the proposed comm	ingling		
		L COMMINGLINgs with the following in					
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes		
BASIN DAKOTA 71599	0.727 / 117						
BASIN FRUITLAND COAL 71629	0/0	1					
		1					
		1					
		1					
(2) Are any wells producing at top allowa	bles? Tyes X No		1	L	_L		
(3) Have all interest owners been notified		roposed commingling?	X Yes □No	0.			
(4) Measurement type: X Metering		-					
(5) Will commingling decrease the value	of production?  Yes	X No If "yes", descri	be why commingli	ing should be approved			
	(B) LEAS	SE COMMINGLIN	[G		#***		
		s with the following in					
(1) Pool Name and Code.							
(2) Is all production from same source of	—						
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes No  Other (Specifie)							
(4) Measurement type: Metering Other (Specify)							
(C) POOL and LEASE COMMINGLING  Please attach sheets with the following information							
(1) Complete Sections A and E.							
(D) OFF-LEASE STORAGE and MEASUREMENT							
Please attached sheets with the following information							
(1) Is all production from same source of supply? Yes No							
(2) Include proof of notice to all interest owners.							
(E) ADDITIONAL INFORMATION (for all application types)  Please attach sheets with the following information							
(1) A schematic diagram of facility, including legal location.							
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.							
(3) Lease Names, Lease and Well Numbers, and API Numbers.							
Thombs contifued to the character of the							
I hereby certify that the information above is true and complete to the best of my knowledge and belief.							
SIGNATURE: The Contract of the	/ I Kus T	ITLE: REGULAT	ORY COMPLIA	NCE TECH DA	TE: <u>9/10/04</u>		
TYPE OR PRINT NAME <u>HOLLY C. I</u>	TYPE OR PRINT NAME HOLLY C. PERKINS TELEPHONE NO.: (505) 564-6720						



### Stanolind Gas Com B #1 CDP

### PROPOSED ALLOCATION PROCEDURES

### Base Data:

W = Gas Volume (MCF) from allocation meters at individual wells during allocation period

X = Gas Volume (MCF) from CDP sales meter during allocation period

Y = BTU's from CDP sales meter during allocation period

Allocation period is typically a calendar month & will be the same for all wells

### Individual Well Gas Production = A + B + C

- A = Allocated Sales Volume, MCF (W/SUM W) x X
- B = On lease fuel usage, MCF. Determined fr/equipment specification & operating conditions
- C = Purged and/or vented gas fr/well and/or lease equipment, MCF. Calculated using equipment specifications & pressures.
- D = Allocated fuel fr/gathering system equipment, MCF> The total fuel required to operate gathering system equipment will be allocated to the individual wells benefiting fr/the equipment using allocation factors determined by W/SUM W for the wells involved.
- E = Allocated volume of gas lost and/or vented fr/the gathering system and/or gathering system equipment, MCF. The total volume will be determined using industry accepted procedures for the conditions existing at the time of the loss. All volumes corresponding to liquid condensation within the gathering system will also be determined. The total volume lost and/or vented will be allocated to the individual wells affected using factors determined by W/SUM W.

Allocated individual Well BTU's = (WWW x Individual well BTU/SUM (W x individual well BTU)) x Y.

Individual well gas heating values to be determined in accordance w/BLM regulations
(Onshore Order No. 5)

Form C-102

Energy, Minerals & Natural Resources Department

Revised August 15, 2000

District II 811 South First, Artesia, NM 88210

1625 N. French Dr., Hobbs, NM 88240

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

District III

1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Dr. Santa Fe, NM 87505

State Lease - 4 Copies

Fee Lease - 3 Copies

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Name Pool Code 30-045-24149 71599 **Basin Dakota** Well Number <sup>4</sup> Property Code Property Name Stanolind Gas Com B 1 Elevation OGRID No. <sup>8</sup> Operator Name XTO Energy, Inc. 6071' GR 167067 **Surface Location** UL or lot no. Lot Idn Feet from the North/South line Feet from the East/West line County Section Township Range 1390 I 09 32N 12W South 890 East San Juan

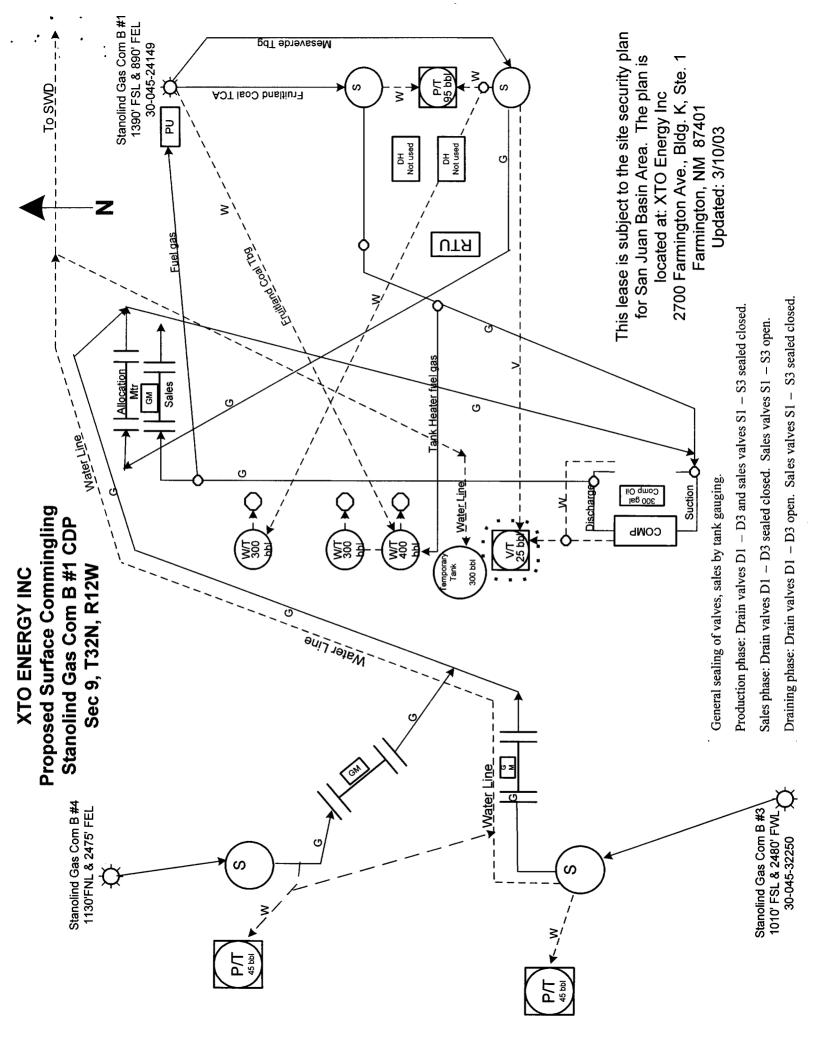
The state of the s

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

OR A NON-STANDARD LINIT HAS BEEN APPROVED BY THE DIVISION

OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION						
16			OPERATOR CERTIFICATION  I hereby certify that the information contained herein			
			is true and complete to the best of my knowledge and			
Ctata	11:		belief.  Signature  Landing C. Farking  Signature			
State	цine		Holly C. Perkins			
			Printed Name			
			Regulatory Compliance Tech			
			Title			
		<u>890'</u>	September 10, 2004			
Section 1	ion 9	是许是对抗的国家	_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.			
	The spin of the second	300	July 5, 1979			
			Date of Survey			
			Original signed by Fred B. Kerr, Jr. Signature and Seal of Professional Surveyor:			
			Signature and Sear of Froressional Surveyor.			
			Certificate Number 3950			

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DISTRICT I P.O. Box 1980, Hoods, N.M. 882411980		tate of New ols & Natural R	Mexico esources Departin	ent		Form C-102 oruary 21, 1994
DISTRICT II P.O. Drawer DD, Artesia, N.M. 88211-0719	OIL CO	NSERVATIO	N DIVISION:		it to Appropriat State Le	ase - 4 Copies
DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 DISTRICT IV		P.O. Box 2 into Fe, NM 87	2088 7504–2088			ase - 3 Copies  NDED REPORT
PO Box 2088, Santa Fe, NM 87504-2088	WELL LOCATION	N AND AC			AT	
<sup>1</sup> API Number <sup>4</sup> Property Code	<sup>2</sup> Pool Code 7163C1	<sup>8</sup> Property N	<del></del>	Pool Name	coal	Vell Number
	S	STANOLIND GAS	S COM B			3
167069		*Operator N XTO ENERG		·		Elevation 6125
UL or lot no. Section Township	Range Lot Idn	Surface Feet from the	Location North/South line	Feet from the	East/West line	County
N 9 32-N	12-W	1010	SOUTH	2480	WEST	SAN JUAN
UL or lot no. Section Township	11 Bottom Hole	Location If	Different From	M Surface Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres	Joint or Infill	<sup>14</sup> Consolidation Co	de	<sup>16</sup> Order No.		
28038 SIZ	ASSIGNED TO THE	COMPLETIO	AND HINETH ALL	INTERFECTS II	AVE BEEN CO	NEOUDATED
	NON-STANDARD					JNSOLIDA TED
				I hereby certif	OPERATOR CE y that the information co olete to the best of my kn	ntained herein is
				Signature	yd Sma y K Sma	<u>00</u>
SEC. CORNER FD 3 1/4" BC BLM 1952	COLORADO  NEW MEXICO		保護で 見た 以下	Title	ac/03	istant
± € LOT 8 L	QT 7	DOT 6	LOT 5	I hereby cert was plotted f or under my	URVEYOR CER	on shown on this plot of surveys made by me the same is true and
	OT 10 0	659'46" N. ( 08:06'01.5' V	NAD 27) V. (NAD\27)	Date of Sur Signature of	14827	
SEC. CORNER S 87'22'44" E ED 3 1/4" BC 2545.70' (M)		4" B≎ 🛝		Certificate I	Number   1   1   1   1   1   1   1   1   1	7



	Stanolind Gas Com B #1 CDP			
	Well Name			
	Stanolind Gas Com B #1	Stanolind Gas Com B #3	Stanolind Gas Com B #4	
API#	30-045-24149	30-045-32250		
Sec	9	9	Not drilled yet	
T	32N	32N		
R	12W	12W		
FNL/FSL	1390' FSL	1010' FSL		
FEL/FWL	890' FEL	2480' FWL		
Lease #	NMNM03371	NMNM03371		
Pool	BASIN DAKOTA	BASIN FRUITLAND COAL		
Permits	N/A	N/A		
Spacing	N/2	S/2		
Gravity	0.727	Drlg in Progress		
BTU	117			
Est Daily Gas				
Rate	95			
WI	0.64	0.56		
NRI	38.60214	26.19837		



2700 Farmington Ave, K-1 Farmington, NM 87401 Phone: (505) 324-1090 FAX: (505) 564-6700

September 3, 2004

RE: Notice to Working and Royalty Interest Owners

Application to Surface Commingle Gas Production

San Juan County, NM

XTO Energy Inc. is applying to the New Mexico Oil Conservation Division (NMOCD) and Bureau of Land Management (BLM) for approval to surface commingle gas production from the Stanolind Gas Com #1, and the Stanolind Gas Com B #3. Both wells are located in Sec 09, T32N, R12W. The NMOCD requires all interest owners be notified of plans to surface commingle when ownership is different between wells.

Produced gas from each well will be measured separately prior to being commingled. We plan to produce the commingled gas through a shared compressor. Produced liquids will not be surface commingled. In the future, additional wells, pools, and acreage may be added to this surface commingle or this gathering system. At such time, as an owner in this system, you will not be noticed as this commingle is expanded unless this method of allocating production between pools and wells changes.

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 you must file a protest in writing to the NMOCD Santa Fe office at 1220 So. St. Francis Drive, Santa Fe, NM 87505 within 20 days from the date the NMOCD received the application.

Sincerely,

Holly C. Perkins Regulatory Compliance Tech

xc: Well Files FW Land Dept. NMOCD, Aztec Henrietta E. Schultz, Trustee 500 N. Akard, Suite 2940 Dallas, TX 75201-3360

Schultz Management, Ltd. 500 N. Akard, Suite 2940 Dallas, TX 75201

J. Glenn Turner, Jr. Two Turtle Creek Village 3838 Oak Lawn, Suite 1450 Dallas, TX 75219

John L. Turner 317 S Sidney Baker #400 Pmb 285 Kerrville, TX 78028

Fred E. Turner 4925 Greenville Avenue One Energy Square Suite 852 Dallas, TX 75206-4079

Mary Frances Turner Jr. Trust JP Morgan Private Bank, Trustee % Iris Bradley P.O. Box 200890 Houston, TX 77216-0890

Betty Turner Calloway P.O. Box 191767 Dallas, TX 75219-1767

William G. Webb 1720 Regal Row, Suite 232 Dallas, TX 75235-2219

Bill L. Bledsoe, Trustee 5615 Netherland Court Dallas, TX 75229

Burlington Resources Oil & Gas Company LP P.O. Box 4289 Farmington, NM 87499-4289

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



	<u>ADMINISTRATIVE</u> <u>APPLI</u>	CATION CHECKL	IST
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cronym		DIVISION LEVEL IN SANTA FE	
Non-Stai HC-Dowi [PC-Po	ndard Location] [NSP-Non-Standard Pronhole Commingling] [CTB-Lease Commol Commingling] [OLS - Off-Lease Stotem [PMX-Pronhold [SWD-Salt Water Disposal] [IPI-Ir	mingling] [PLC-Pool/Lease rage] [OLM-Off-Lease Me essure Maintenance Expan njection Pressure Increase]	e Commingling] asurement] sion]
E OF AP [A]		• • •	
Check [B]		PC OLS OL	M
[C]			₹
[D]	Other: Specify		
IFICAT [A]			apply
[B]	Offset Operators, Leaseholders or	Surface Owner	
[C]	Application is One Which Require	s Published Legal Notice	
[D]			
[E]	For all of the above, Proof of Notif	fication or Publication is Atta	ched, and/or,
[F]	Waivers are Attached		
		IATION REQUIRED TO I	PROCESS THE TYPE
curate a	nd complete to the best of my knowledge	. I also understand that no ac	
Note	Statement must be completed by an individual	with managerial and/or supervisor	ry capacity.
KINS	Signature Signature	REGULATORY CON	MPLIANCE TECH 9/10/04 Date
		Holly perkins@xtoer e-mail Address	ergy.com
	Check [B]  Check [B]	CLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATION REQUIRE PROCESSING AT THE WHICH PROCESSING AT THE WHICH PROCESSING AT THE WHICH PROCESSING AND THE WHICH	Non-Standard Location   [NSP-Non-Standard Proration Unit]   [SD-Simultaneon   CDownhole Commingling]   [CTB-Lease Commingling]   [PC-Pool/Lease]   [PC-Pool/Lease]   [PC-Pool/Commingling]   [OLS - Off-Lease Storage]   [OLM-Off-Lease Me

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION





		ADMINISTRATIVE APP	LICATION CHECKLIST	
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	-	<del>-</del>	-	~,
[1]	[A]	PLICATION - Check Those Which A Location - Spacing Unit - Simultane   NSL NSP SD		
	Check [B]	One Only for [B] or [C]  Commingling - Storage - Measureme  DHC CTB XX PLC	ent DC OLS DOLM	
	[C]	Injection - Disposal - Pressure Increa	ase - Enhanced Oil Recovery  IPI  EOR  PPR	
	[D]	Other: Specify		
[2]	NOTIFICAT: [A]	ON REQUIRED TO: - Check Those XX Working, Royalty or Overriding	** **	
	[B]	Offset Operators, Leaseholders	or Surface Owner	
	[C]	Application is One Which Requ	nires Published Legal Notice	
	[D]	Notification and/or Concurrent U.S. Bureau of Land Management - Commission		
	[E]	For all of the above, Proof of N	otification or Publication is Attached, and/or,	
	[F]	Waivers are Attached		
[3]		CURATE AND COMPLETE INFO ATION INDICATED ABOVE.	RMATION REQUIRED TO PROCESS T	НЕ ТҮРЕ
	val is <b>accurate</b> a		nation submitted with this application for admidge. I also understand that <b>no action</b> will be submitted to the Division.	
	Note:	Statement must be completed by an individ	ual with managerial and/or supervisory capacity.	
	Y C PERKINS or Type Name	Signature C. Fee	REGULATORY COMPLIANCE TO	ECH 9/10/04 Date
			Holly perkins@xtoenergy.com e-mail Address	