

DATE IN 8.11.11	SUSPENSE	ENGINEER wvf	LOGGED IN 8.11.11	TYPE DHC	APP NO 1122347519
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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



XTO
 RECEIVED OCD

2011 AUG 11 A 10:36
 30-045-30854

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 _____
- [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.

WANETT MCCAULEY
 Print or Type Name

Wanett McCauley
 Signature

REGULATORY COMPLIANCE TECHNICIAN 8/10/2011
 Title Date

wanett_mccauley@xtoenergy.com
 e-mail Address

DISTRICT I
1625 N French Dr, Hobbs, NM 88240
DISTRICT II
1301 W Grand Avenue, Artesa, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-107A
Revised June 10, 2003

APPLICATION TYPE

Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator XTO Energy Inc. Address 382 CR 3100, Aztec, NM 87410
Lease Fullerton Federal 27-11 Well No #1 Unit Letter-Section-Township-Range I Sec 11 T27N R11W County San Juan
OGRID No 5380 Property Code 32616 API No 30-045-30854 Lease Type Federal State Fee

DAE-4451

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<u>S. Kutz Gallup</u>		<u>Basin Dakota</u>
Pool Code	<u>96852</u>		<u>71599</u>
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	<u>5512' - 5763'</u>		<u>6277' - 6377'</u>
Method of Production (Flowing or Artificial Life)	<u>Artificial Life</u>		<u>Artificial Life</u>
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			<u>1.081</u>
Producing, Shut-In or New Zone	<u>New Zone</u>		<u>Producing</u>
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 Rates	Date <u>6/01/2011</u> Rates <u>23 BO/1570 mcf/0 BW</u>
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required)	Oil <u>87</u> % Gas <u>63</u> %	Oil % Gas %	Oil <u>13</u> % Gas <u>37</u> %

Are all working, overriding, and royalty interests identical in all commingled zones? Yes No
If not, have all working, overriding, and royalty interests 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 all offset operators
- Notification list of working, overriding, and royalty interests for uncommon interest cases
- Any additional statements, data, or documents required to support commingling

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 Wanett McCauley TITLE Reg Compliance Technician DATE 8/10/2011
TYPE OR PRINT NAME Wanett McCauley TELEPHONE NO (505) 333-3630
E-MAIL wanett.mccauley@xtoenergy.com

Allocations are based on production increases seen in offset wells in the 9-section that had the Gallup added to a late-life Dakota well or wells that produced the Gallup by itself.

Monthly Production Rates

	OIL (Bbl/mo.)	GAS (KCF/mo.)	Water (Bbl/mo.)	
Gallup	150	3163	28	Average production increase after adding Gallup in offset 9-section wells
Dakota	23	1828	1	Average allocated production from last 6 months of Dakota production in Fullerton Fed 27-11-1
Total	174	4990	29	

Percent Production			
	OIL	GAS	Water
Gallup	87%	63%	95%
Dakota	13%	37%	5%
Total	100%	100%	100%

Last 6 months of allocated Fullerton Fed 27-11-1 DK production

Date	Oil	Gas	Water
11/30/2010	28	1853	0
12/31/2010	22	1835	0
1/31/2011	23	1768	0
2/28/2011	15	1757	0
3/31/2011	27	1936	0
4/30/2011	25	1816	8

The 5 wells shown below lie in the 9-section around the Fullerton Fed 27-11-1 well where Gallup production was commingled with a late-life Dakota well or produced by itself.

Fullerton Fed 6E - Mancos Only

	BO/Mo.	KCF/Mo.	BW/Mo.
6/30/2008	167	5305	44
7/31/2008	0	3879	19
8/31/2008	336	3169	10
9/30/2008	354	5239	-2
10/31/2008	0	4183	23
11/30/2008	392	3716	-2
AVERAGE	208	4249	15

	Oil	Gas	Water	Oil	Gas	Water	Oil	Gas	Water	Oil	Gas	Water	
	Mancos Allocated			Dakota/Allocated			Total Allocated			Last Dakota production before Mancos add			
11/30/2001		4256		167	2837	46	167	7093	46	3/31/2001	0	2448	0
12/31/2001		3400		0	2267	21	0	5667	21	4/30/2001	0	2402	4
1/31/2002	168	1859		168	3098	12	336	4957	12	5/31/2001	0	1620	2
2/28/2002	177	2556		177	4471	0	354	7027	0	6/30/2001	0	1372	1
3/31/2002	0	2239		0	3732	25	0	5971	25	7/31/2001	0	1527	2
4/30/2002	196	2064		196	3440	0	392	5504	0	8/31/2001	0	1359	5

Fullerton Fed 6R - Mancos Only

	BO/Mo.	KCF/Mo.	BW/Mo.
Apr-91	194	2075	42
May-91	93	1140	92
Jun-91	83	587	7
Jul-91	68	113	42
Aug-91	47	188	-38
Sep-91	42	-152	2
AVERAGE	88	659	24

	Oil	Gas	Water	Oil	Gas	Water	Oil	Gas	Water	Oil	Gas	Water	
	Mancos Allocated			Dakota/Allocated			Total Allocated			Last Dakota production before Mancos add			
6/30/2008	135	1370	36	70	5481	44	205	6851	80	11/30/2007	6	4969	0
7/31/2008	69	1183	60	35	4733	70	104	5916	130	12/31/2007	8	5150	0
8/31/2008	62	1073	21	32	4290	24	94	5363	45	1/31/2008	10	4910	80
9/30/2008	52	978	36	27	3911	44	79	4889	80	2/29/2008	16	4472	70
10/31/2008	38	993	0	20	3971	0	58	4964	0	3/31/2008	14	4715	0
11/30/2008	35	925	18	18	3699	22	53	4624	40	4/30/2008	13	4439	80

EH Pipkin 26 - Mancos Only

	BO/Mo.	KCF/Mo.	BW/Mo.
Jan-89	558	2787	
Feb-89	266	2767	
Mar-89	308	2677	31
Jun-89	186	2352	30
Jul-89	193	2424	31
Sep-89	162	2277	
AVERAGE	279	2547	31

EH Pipkin 12E - Mancos Only

	BO/Mo.	KCF/Mo.	BW/Mo.
Nov-10	48	2907	147
Dec-10	93	1724	-10
Jan-11	93	1756	107
Feb-11	59	1305	74
Mar-11	83	1473	37
Apr-11	39	1299	67
AVERAGE	69	1744	70

	Oil	Gas	Water	Oil	Gas	Water	Oil	Gas	Water	Oil	Gas	Water	
	Mancos Allocated			Dakota/Allocated			Total Allocated			Last Dakota production before Mancos add			
11/30/2008	46	2439	144	4	1462	16	50	3901	160	12/31/2007	1	811	0
12/31/2008	87	1693	3	8	1025	0	95	2718	3	1/31/2008	0	985	0
1/31/2009	87	1713	109	8	1037	11	95	2750	120	2/29/2008	7	1004	0
2/28/2009	56	1431	79	5	868	8	61	2299	87	3/31/2008	6	1110	80
3/31/2009	78	1535	45	7	932	5	85	2467	50	4/30/2008	0	1030	0
4/30/2009	38	1426	72	3	867	8	41	2293	80	5/31/2008	0	1024	0

Fullerton Fed 11 - Mancos Only

	BO/Mo.	KCF/Mo.	BW/Mo.
Nov-10	330	6913	2
Dec-10	78	6158	0
Jan-11	71	4196	0
Feb-11	138	9562	0
Mar-11	29	5741	0
Apr-11	7	7114	0
AVERAGE	108	6614	0

	Oil	Gas	Water	Oil	Gas	Water	Oil	Gas	Water	Oil	Gas	Water	
	Mancos Allocated			Dakota/Allocated			Total Allocated			Last Dakota production before Mancos add			
2/28/1997	315	6191	0	16	2290	2	331	8481	2	6/30/1996	0	1534	0
3/31/1997	70	5640	0	9	2086	0	79	7726	0	7/31/1996	0	1269	0
4/30/1997	69	4842	0	3	922	0	72	5764	0	8/31/1996	0	1450	0
5/31/1997	133	9349	0	6	1781	0	139	11130	0	9/30/1996	9	1856	0
6/30/1997	29	6139	0	1	1170	0	30	7309	0	10/31/1996	0	1896	0
7/31/1997	8	7293	0	0	1389	0	8	8682	0	11/30/1996	0	1403	0



382 CR 3100
Aztec, NM 87410

7/19/2011

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling
Fullerton Federal 27 11 #1
Unit I, Sec 11-T27N-R11W

XTO Energy Inc. is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the Basin Dakota & the South Kutz Gallup pools in the Fullerton Federal 27 11 #1. Commingling of these pools will minimize operating costs, add reserves and improve economics of the well.

The proposed allocation percentages for each pool are as follows:

Basin Dakota	Oil: 13%	Gas: 37%	Water: 5%
South Kutz Gallup	Oil: 87%	Gas: 63%	Water: 95%

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between zones. If you have questions specifically pertaining to this letter, I may be contacted at (505) 333-3630. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter. For any other inquiries, please call the toll free automated number (866-886-2613) with your owner number in hand or you may contact Deanna Garcia with XTO Energy's Land Department at (817) 885-3521.

Sincerely,


Wanett McCauley
Regulatory Compliance Technician

xc: well file

CATHERINE C KNIGHT
5116 SILVER LAKE DR
PLANO, TX 750930260
FULLERTON FED 027 11 01 DHC REG DEPT wm

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PLANO, TX 750930260
FULLERTON FED 027 11 01 DHC REG DEPT wm

CATHERINE C KNIGHT
5116 SILVER LAKE DR
PLANO, TX 750930260
FULLERTON FED 027 11 01 DHC REG DEPT wm

CONSTANCE C. ELMS
4307 BRETTON BAY
DALLAS, TX 752876712
FULLERTON FED 027 11 01 DHC REG DEPT wm

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DALLAS, TX 752876712
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DALLAS, TX 752876712
FULLERTON FED 027 11 01 DHC REG DEPT wm

D & S PARTNERSHIP STEPHEN A
COKE GENERAL PARTNER
5728 NORTHBROOK DRIVE
PLANO, TX 750935953
FULLERTON FED 027 11 01 DHC REG DEPT wm

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COKE GENERAL PARTNER
5728 NORTHBROOK DRIVE
PLANO, TX 750935953
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COKE GENERAL PARTNER
5728 NORTHBROOK DRIVE
PLANO, TX 750935953
FULLERTON FED 027 11 01 DHC REG DEPT wm

DALLAS CO MEDICAL SOCIETY
ALLIANCE FOUNDATION
5500 SWISS AVE
DALLAS, TX 752144947
FULLERTON FED 027 11 01 DHC REG DEPT wm

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ALLIANCE FOUNDATION
5500 SWISS AVE
DALLAS, TX 752144947
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ENERGEN RESOURCES
CORPORATION
605 RICHARD ARRINGTON BLVD N
BIRMINGHAM, AL 352032707
FULLERTON FED 027 11 01 DHC REG DEPT wm

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BIRMINGHAM, AL 352032707
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BIRMINGHAM, AL 352032707
FULLERTON FED 027 11 01 DHC REG DEPT wm

GLEND A EARL AKE
5706 HEREFORD LN
GRANBURY, TX 760490000
FULLERTON FED 027 11 01 DHC REG DEPT wm

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5706 HEREFORD LN
GRANBURY, TX 760490000
FULLERTON FED 027 11 01 DHC REG DEPT wm

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5706 HEREFORD LN
GRANBURY, TX 760490000
FULLERTON FED 027 11 01 DHC REG DEPT wm

L.A. STEMMONS JR. RESIDUARY TR
SUZANNE STEMMONS BE
1605 DOWLING DR
IRVING, TX 750380000
FULLERTON FED 027 11 01 DHC REG DEPT wm

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SUZANNE STEMMONS BE
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SUZANNE STEMMONS BE
1605 DOWLING DR
IRVING, TX 750380000
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LAS COLINAS MINERALS LP
125 E JOHN CARPENTER FRWY
SUITE 600
IRVING, TX 750620000
FULLERTON FED 027 11 01 DHC REG DEPT wm

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SUITE 600
IRVING, TX 750620000
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SUITE 600
IRVING, TX 750620000
FULLERTON FED 027 11 01 DHC REG DEPT wm

LESLIE REALTY A PARTNERSHIP
SUZANNE BEEMAN GEN. PT
1605 DOWLING DR
IRVING, TX 750380000
FULLERTON FED 027 11 01 DHC REG DEPT wm

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1605 DOWLING DR
IRVING, TX 750380000
FULLERTON FED 027 11 01 DHC REG DEPT wm

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SUZANNE BEEMAN GEN. PT
1605 DOWLING DR
IRVING, TX 750380000
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MACLONDON ENERGY, LP
PO BOX 14230
ODESSA, TX 797680000
FULLERTON FED 027 11 01 DHC REG DEPT wm

MACLONDON ENERGY, LP
PO BOX 14230
ODESSA, TX 797680000
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PO BOX 14230
ODESSA, TX 797680000
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**MAK J ENERGY OPERATING
COMPANY**
1600 N BROADWAY, SUITE 1740
DENVER, CO 802020000

FULLERTON FED 027 11 01 DHC REG DEPT wm

**MAK J ENERGY OPERATING
COMPANY**
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DENVER, CO 802020000

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DENVER, CO 802020000

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MHT PROPERTIES LTD
3840 WINDSOR LANE
DALLAS, TX 752050000

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MHT PROPERTIES LTD
3840 WINDSOR LANE
DALLAS, TX 752050000

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MHT PROPERTIES LTD
3840 WINDSOR LANE
DALLAS, TX 752050000

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MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298

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FORT WORTH, TX 761026298

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FORT WORTH, TX 761026298

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**THE DALLAS WOMAN'S CLUB
FOUNDATION**
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DALLAS, TX 752251754

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MINEOLA, TX 757730000

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