TYPE NSP

PRG 1306434477

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



Ropco 16 - LH XTO Energy

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-Po | ol 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] ified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] |
|--------|-------------------------|--|
| [1] | TYPE OF AP [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 DCTR DPIC DPC DOIS DOIM |
| | [C] | Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR |
| | [D] | Other: Specify |
| [2] | NOTIFICATI | 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. |
| | al is accurate a | FION: I hereby certify that the information submitted with this application for administrative and complete to the best of my knowledge. I also understand that no action 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. |
| Printo | Zimmerme Type Name | Signature Landman 03/01/13 Title Date Ly Zimmerman@ XTOenergy.com |
| | | e-mail Address |



VIA FEDERAL EXPRESS

March 4, 2013

Mr. David Brooks
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Application of XTO Energy Inc. for administrative approval of 240 acre non-standard spacing unit in the Basin Mancos Gas Pool (97232) consisting of the NE/4 and the N/2NW/4 of section 16, T29N, R14W, and approval of 160 acre non-standard spacing unit in the Basin Mancos Gas Pool (97232) consisting of the NE/4 of section 17, T29N, R14W, N.M.P.M., San Juan County, New Mexico

Dear Mr. Brooks:

XTO energy Inc. plans to drill the Ropco 16-1H well as a horizontal well with a project area that makes up the N/2 of section 16 and the NE/4 of section 17, T29N, R14W, at a surface hole location 978 feet from the North line and 1,005 feet from the East line (Unit A) in section 16 and a bottom hole location 1,950 feet from the North line and 1,925 feet from the East line (Unit G) in section 17.

The NE/4 of section 17 is located in the Basin Mancos Gas Pool and subject to the special rules created under Order R-12984. The S/2NW/4 of section 16 is located in the Cha Cha Gallup Pool an oil pool that is not listed in paragraphs (3) and (4) of Order 12984, and subject to the special rules for that pool created under Order R-1800. The remainder of the N/2 of section 16 is located in the Basin Mancos Gas Pool. I have been informed by you that because of the peculiar nature of the special rules for the Basin Mancos Gas Pool, XTO needs to seek approval of (1) a non-standard spacing unit in the Basin Mancos Gas Pool comprised of the NE/4 of section 17, (2) a non-standard spacing unit in the Basin Mancos Gas Pool comprised of the NE/4 and the N/2NW/4 of section 16. Both non-standard spacing units will be coupled with the S/2NW/4 of section 16 to make up the project area of the Ropco 16-1H that will comprise of the N/2 of section 16 and the NE/4 of section 17 containing 480 acres, more or less.

The special rules for the Basin-Mancos Gas Pool require that an oil well drilled within the area encompassed by these rules that is near an oil pool <u>not listed</u> in paragraphs (3) and (4) of Order 12984 must conform to the special rules for the Basin-Mancos Gas Pool. See Appendix A to Order R-12984 (special rules) at Rule 1. These special rules require 320 acre spacing and that wells remain 660 feet from the outer boundary of the spacing unit. *Id.* At Rule 2.

Accordingly, to allow XTO an opportunity to efficiently and economically recover the reserves in these adjacent pools underlying the N/2 of section 16 and the NE/4 of section 17, XTO respectfully request that the Division issue one or more administrative orders granting the following relief:

- · 1) Pursuant to NMAC 19.15.15.11.B(2), the Division approve an 240-acre non-standard spacing and proration unit in the Basin Mancos Gas Pool comprise of the NE/4 and the N/2NW/4 of section 16;
 - 2) Pursuant to NMAC 19.15.15.11.B(2), the Division approve an 160-acre non-standard spacing and proration unit in the Basin Mancos Gas Pool comprise of the NE/4 of section 17.

As further support for the application, XTO has provided the following exhibits with this letter:

- Exhibit A is a land plat showing the project area of the Ropco 16-1H in the N/2 of section 16 and the NE/4 of section 17 and the adjoining sections in relation to the Cha Cha Gallup Pool.
- Exihibit B is the Well Location and Acreage Dedication Plat (Form C-102).
- Exhibit C is a list of the affected parties for both requests for approval of the non-standard spacing unit in the Basin Mancos Gas Pool. A copy of this application with all attachments has been sent by certified mail to each of these affected parties advising them that if they have an objection they must file it in writing with the division within 20 days from the date the division receives this application.

Please contact me if you need any further information on this application at (817) 885-1130 or Cy_Zimmerman@xtoenergy.com.

Very truly yours,

Cy Zimmerman Associate Landman

XTO Energy Inc.



SECTION PLAT OF 9 SQUARE MILES Exhibit "A"

| STATE: | New M | exico | COUNTY: San Juan | | | | |
|----------------|---------------------------|-----------|--|-------------------|-------------|--|--|
| PROSPECT: | Ro | pco 16-1H | | DATE: February | 28, 2013 | | |
| SECTION: | 16 & 17 T | OWNSHIP: | 29 North | RANGE:14\ | <u>Nest</u> | | |
| CALE: 1"=2000' | | | | | | | |
| | 8 | | 9 | | 10 | | |
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| - | 17 | | 16 Ropco # 16-1H | | 15 | | |
| FeeLands | | | Nopco # 10-111 | | | | |
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| | | | | | | | |
| Cha C | ha Gallup Poo | Offset | Lessee F | Ropco 16-1H Proje | ect Area | | |

Exhibit "B"

<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u>
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| WELL LOCATION AND ACREAGE DEDICATION PLAT | | | | | | | | | | |
|--|--------------------------------|----------|-----------------|----------|----------------------------|------------------|---------------|-------|--------------------------|----------|
| 30-045-35455 2 Pool Code 3 Pool Name 97232 | | | | | | | | | | |
| ⁴ Property (| Code | | | | ⁵ Property Name | | | | ⁶ Well Number | |
| | | | | ROPCO 16 | | | | 1H | | |
| OGRID 1 | No. | | | | 8 Operator | Name | | | ⁹ Elevation | |
| 539 | 0 | | XTO ENERGY INC. | | | | | 5,217 | | |
| | ¹⁰ Surface Location | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Eas | t/West line | County |
| A | 16 | 29 N | 14 W | | 978 | NORTH | 1005 | 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 | Eas | t/West line | County |
| G | 17 | 29 N | 14 W | | 1950 | NORTH | 1925 | EAS | Т | SAN JUAN |
| 12 Dedicated Acres 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.

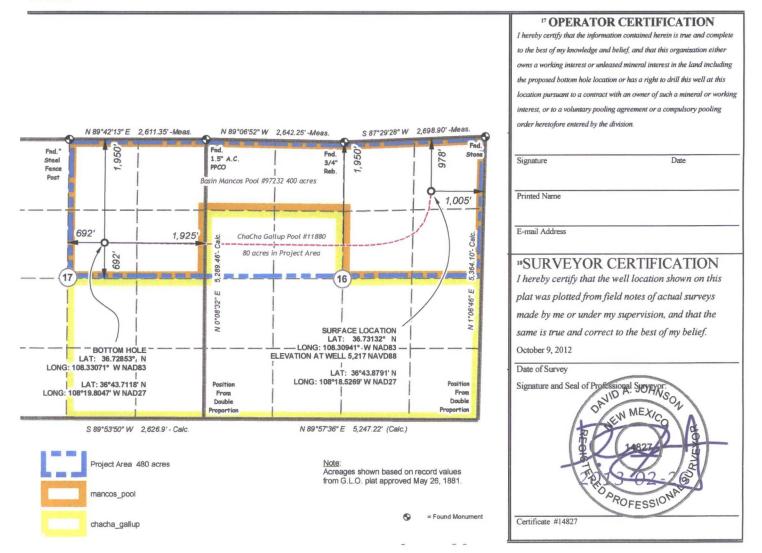


Exhibit C XTO Energy Inc. Ropco 16-1H Well

NW/4 Section 17 Mineral Owners

Billie Sue Berg 5512 Prince Edward Avenue El Paso, TX 79924-3411

Rachel L. Seiferle 363 A CR 6100 Kirtland, NM 87417

Karen Brimhall 372 CR 6100 NBU #13 Kirtland, NM 87417

Dawn M. Torres 1118 West Apache #3 Farmington, NM 87401

Mary I. Caston Joint Tenant with Lockey Caston P.O. Box 22 Kirtland, NM

William L. Flack and Constance Flack, Trustees of the William L. and Constance Flack Living Trust dated 9/19/1991 1030 Walnut Drive Farmington, NM 87401 or P.O. Box 422 Kirtland, NM 87417

William Mathew Flack and Rebecca Lynn Flack as Trustees of the Matthew and Rebecca Flack Trust UTAD 3/17/2004 342A CR 6100 Kirtland, NM 87417 Daniel T. Flack and Kristine R. Flack, Trustees of the Daniel T. Flack and Kristine R. Flack Living Trust UTAD 8/8/2008 P.O. Box 1063 Kirtland, NM 87417

David D. Clifton and Deanne C. Clifton 363 CR 6100 Kirtland, NM 87417

Sherry L. Blodgett, aka Sherry L. Myers and Raymond W. Myers PO Box 272 Kirtland, NM 87417

Barney Lucero and Lisa Lucero 10 Rd 6291 Kirtland, NM 87417

Danny K. Kimball and Carla Kimball #371 CR 6100, 13 Kirtland, NM 87417

James R. Allcorn and Jacqueline Allcorn 6 Rd 6291 Kirtland, NM 87417

Colby D. Cockrell and Sunny L. Cockrell 453 CR 6100 Kirtland, NM 87417

Phylis Combs PO Box 626 Kirtland, NM 87417

Gary D. and Geogianna A. Childers PO Box 203 Kirtland, NM 87417

NW/4 of Section 17 Unleased Mineral Owners

West American Corporation Unable to locate - Bankrupt 1960s State Highway Dept., State NM PO Box 1149 Santa Fe, NM 87504-1149

Norma Schmitt & C. Gregory Schmitt Co-Trustees of the Norma Schmitt Trust UTA June 1, 1999, et al PO Box 97 Kirtland, NM 87417

Joel W. & Sherry Foutz PO Box 784 Kirtland, NM 87417

Shaun C. Winn and Linn Johnson #341 CR 6100 Kirtland, NM 87417

James Thomas Robbins and Heather Lee Robbins #3 CR 6285 Kirtland, NM 87417

Sabiniano Jr. & Veronica E. Lobato 4329 Cardinal St. Farmington, NM 87491

Roger N. & Janet L. Isham PO Box 1184 Kirtland, NM 87417

Anne M. & Alan D. Youts PO Box 554 Kirtland, NM 87417

Carl Gregory Schmitt and Donna Cole Schmitt, husband and wife PO Box 267 Kirtland, NM 87417

Cloyde Bruce Beckstead and Nona P. Beckstead 465 CR 6100 Kirtland, NM 87417

Rodney B. Gwendolyn Warner PO Box 215 Kirtland, NM 87417 Robert H. & Mary Eshom PO Box 895 Capitan, NM 88316-0895

NW/4 of Section 17 Working Interest Owners

XTO Energy Inc. 810 Houston Street Fort Worth, TX 76102

S/2NW/4 of Section 16 Mineral Owners

State of New Mexcio NM State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87504

S/2NW/4 of Section 16 Working Interest Owners

XTO Energy Inc. 810 Houston Street Fort Worth, TX 76102

Firmbook Report BSWANSON: TLB 13 LAND - BLS

7112 4369 4680 2639 5158 7112 4369 4680 2639 5448

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| 1 | CMN | NAME | ADDRESS | KIRT Sent to A KIRTI ELP/ parties. | letter is |
| | | | & ALAN D. YOUTS | 03/3 | 10 |
| 2 | 7112 4369 4680 2639 5158 | ANNE M. | PO BOX 554 | KIRT | 1 Charted tion |
| | | | & LISA LUCERO | sent 10 1 | 11,000 |
| 3 | 7112 4369 4680 2639 5165 | BARNEY LUCERO | 10 RD 6291 | KIRTI | tion |
| 4 | 7112 4369 4680 2639 5172 | BILLIE SUE BERG | 5512 PRINCE EDWARD AVENUE | ELPI Parties. | tion |
| | | | & DONNA COLE SCHMITT | | and the second |
| 5 | 7112 4369 4680 2639 5189 | CARL GREGORY SCHMITT | PO BOX 267 | KIRTI | tion |
| | | | & NONA P. BECKSTEAD | | |
| 6 | 7112 4369 4680 2639 5196 | CLOYDE BRUCE BECKSTEAD | 465 CR 6100 | KIRTLAND,,NM 87417 | CZ application |
| | | | & SUNNY L. COCKRELL | | |
| 7 | 7112 4369 4680 2639 5202 | COLBY D. COCKRELL | 453 CR 6100 | KIRTLAND,,NM 87417 | CZ application |
| | | | & KRISTINE R. FLACK | | |
| | | | & KRISTINE R. FLACK LIVING TRUST | | |
| 8 | 7112 4369 4680 2639 5219 | DANIEL T. FLACK | P.O. BOX 1063 | KIRTLAND,,NM 87417 | CZ application |
| | | | & CARLA KIMBALL | | |
| 9 | 7112 4369 4680 2639 5226 | DANNY K. KIMBALL | 371 CR 6100, 13 | KIRTLAND,,NM 87417 | CZ application |
| | | | & DEANNE C. CLIFTON | | |
| 10 | 7112 4369 4680 2639 5233 | DAVID D. CLIFTON | 363 CR 6100 | KIRTLAND,,NM 87417 | CZ application |
| 11 | 7112 4369 4680 2639 5240 | DAWN M. TORRES | 1118 WEST APACHE #3 | FARMINGTON,,NM 87401 | CZ application |
| | | | & GEOGIANNA A. CHILDERS | | |
| 12 | 7112 4369 4680 2639 5257 | GARY D. | PO BOX 203 | KIRTLAND,,NM 87417 | CZ application |
| | | | & JACQUELINE ALLCORN | | |
| 13 | 7112 4369 4680 2639 5264 | JAMES R. ALLCORN | 6 RD 6291 | KIRTLAND,,NM 87417 | CZ application |
| | | | & HEATHER LEE ROBINS | | |
| 14 | 7112 4369 4680 2639 5271 | JAMES THOMAS ROBBINS | #3 CR 6285 | KIRTLAND,,NM 87417 | CZ application |
| | | | & SHERRY FOUTZ | | |
| 15 | 7112 4369 4680 2639 5288 | JOEL W. | PO BOX 784 | KIRTLAND,,NM 87417 | CZ application |
| | | | 372 CR 6100 | | |
| 16 | 7112 4369 4680 2639 5295 | KAREN BRIMHALL | NBU #13 | KIRTLAND,,NM 87417 | CZ application |
| | | | JOINT TENANT | - 1 | |
| | | | WITH LOCKEY CASTON | | |
| 17 | 7112 4369 4680 2639 5301 | MARY I. CASTON | P.O. BOX 22 | KIRTLAND,,NM 87417 | CZ application |
| | | | & C. GREGORY SCHMITT | | |
| | | | CO-TRUSTEE OF NORMA SCHMITT TRUST | | |
| 18 | 7112 4369 4680 2639 5318 | NORMA SCHMITT | PO BOX 97 | KIRTLAND, NM 87417 | CZ application |
| | 7112 4369 4680 2639 5325 | PHYLIS COMBS | PO BOX 626 | KIRTLAND,,NM 87417 | CZ application |
| | 7112 4369 4680 2639 5332 | RACHEL L. SEIFERLE | 363 A CR 6100 | KIRTLAND,,NM 87417 | CZ application |
| | | | & MARY ESHOM | | |
| 21 | 7112 4369 4680 2639 5349 | ROBERT H. | PO BOX 895 | CAPITAN, NM 88316 | CZ application |
| | 7112 4369 4680 2639 5356 | RODNEY B. GWENDOLYN WARNER | PO BOX 215 | KIRTLAND, NM 87417 | CZ application |

Firmbook Report BSWANSON: TLB 13 LAND - BLS

7112 4369 4680 2639 5158 7112 4369 4680 2639 5448

| | A | В | С | D | E. |
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| 1 | CMN | NAME | ADDRESS | | COMMENTS |
| | | | & JANET L. ISHAM | | |
| 23 | 7112 4369 4680 2639 5363 | ROGER N. | PO BOX 1184 | KIRTLAND,,NM 87417 | CZ application |
| | | | & VERONICA E. LOBATO | | |
| 24 | 7112 4369 4680 2639 5370 | SABINIANO JR. | 4329 CARDINAL ST. | FARMINGTON,,NM 87491 | CZ application |
| | | | & LINN JOHNSON | | |
| 25 | 7112 4369 4680 2639 5387 | SHAUN C. WINN | #341 CR 6100 | KIRTLAND,,NM 87417 | CZ application |
| | | | AKA SHERRY L. MYERS | | |
| | | | & RAYMOND W. MYERS | | |
| 26 | 7112 4369 4680 2639 5394 | SHERRY L. BLODGETT | PO BOX 272 | KIRTLAND,,NM 87417 | CZ application |
| | | | STATE NM | | İ |
| 27 | 7112 4369 4680 2639 5400 | STATE HIGHWAY DEPT. | PO BOX 1149 | SANTA FE,,NM 87504 | CZ application |
| | | | NM STATE LAND OFFICE | | |
| 28 | 7112 4369 4680 2639 5417 | STATE OF NEW MEXICO | 310 OLD SANTA FE TRAIL | SANTA FE,,NM 87504 | CZ application |
| | | | & CONSTANCE FLACK | | |
| | | | TRUSTEES OF TRUST | | ! |
| 29 | 7112 4369 4680 2639 5424 | WILLIAM L. FLACK | 1030 WALNUT DRIVE | FARMINGTON,,NM 87401 | CZ application |
| | | | & CONSTANCT FLACK | | 1 |
| | | | TRUSTEES OF TRUST | | |
| 30 | 7112 4369 4680 2639 5431 | WILLIAM L. FLACK | P.O. BOX 422 | KIRTLAND,,NM 87417 | CZ application |
| | | | & REBECCA LYNN FLACK | | : |
| | | · | TRUSTEES OF MATHEW | | |
| | | | & REBECCA FLACK | | |
| 31 | 7112 4369 4680 2639 5448 | WILLIAM MATHEW FLACK | 342A CR 6100 | KIRTLAND, NM 87417 | CZ application |



Cy Zimmerman Associate Landman (817) 885-1130 Fax (817) 885-1854 Cy_Zimmerman@xtoenergy.com

March 5, 2013

CERTIFIED MAIL RETURN RECIEPT REQUESTED

TO AFFECTED PARTIES:

Re: Application of XTO Energy Inc. for administrative approval of 240 acre non-standard spacing unit in the Basin Mancos Gas Pool (97232) consisting of the NE/4 and the N/2NW/4 of section 16, T29N, R14W, and approval of 160 acre non-standard spacing unit in the Basin Mancos Gas Pool (97232) consisting of the NE/4 of section 17, T29N, R14W, N.M.P.M., San Juan County, New Mexico

Ladies and Gentlemen,

Enclosed is a copy of the above referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please don't hesitate to contact me by email at Cy_Zimmerman@xtoenergy.com or by phone at (817) 885-1130.

Sincerely,

Cy Zimmerman Associate Landman