

12/4/06 DATE IN	SUSPENSE	BROOKS ENGINEER	12/4/06 LOGGED IN	NSL TYPE	APP NO. PTD50633852681
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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



Ute Indians A# 30
XTO
4416A

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.

Print or Type Name

Signature

Title

Date

e-mail Address



December 1, 2006

2006 DEC 4 AM 8 44

VIA FEDEX OVERNIGHT

Mr. Mark Fesmire
New Mexico Oil Conservation Division
1220 S St Francis Dr
Santa Fe NM 87504

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Ute Indians A No. 30
400' FNL and 300' FEL, Section 2, T31N, R14W
San Juan County, New Mexico
Dakota Formation

Dear Mr. Fesmire:


XTO Energy Inc. hereby requests administrative approval for an unorthodox location for the above referenced well. Attached for your reference are the following exhibits:

1. Well location plat (NMOCD Form C-102)
2. Ownership map
3. Production map showing offsetting Dakota Formation Gas Production
4. Copy of NMOCD Administrative Order NSL-4416(BHL) for the subject well as to the Morrison and Entrada Formations.

The above referenced well has been recompleted in the Dakota Formation. Through oversight, the NSL application was not submitted prior to the recompletion operation. XTO Hereby requests approval of the unorthodox location so that the existing wellbore may be used to produce gas from the Dakota Formation.

XTO owns 100% of the Dakota offsetting operating rights, so no offset owner notice is required.

XTO Energy Inc. requests your administrative approval for the unorthodox location based on the above information. Should you need any additional information, please contact me at (817) 885-2540.

Yours truly,

Christopher Spencer, CPL
Landman

/cks
Enclosures

cc: Mr. Dan Rabinowitz
Bureau of Land Management
San Juan Resource Area
701 Camino Del Rio
Durango CO 81301

Bureau of Indian Affairs
Ute Mountain Ute Agency
P O Box KK
Towaoc CO 81334

Mr. Gordon Hammond
Ute Mountain Ute Tribe
P O Box 248
Towaoc CO 81334

RECEIVED

JUL 27 2006

District I
1625 N. French Dr., Hobbs, NM 88240District II
811 South First, Artesia, NM 88210District III
1000 Rio Brazos Rd., Aztec, NM 87410District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505State of New Mexico
Energy, Minerals & Natural Resources DepartmentBureau of Land Management Form C-102
Durango, Colorado August 15, 2000OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED
REPORT

¹ API Number 30-045-30268		² Pool Code 86720		³ Pool Name UTE DOME DAKOTA		86720	
⁴ Property Code 22645		⁵ Property Name UTE INDIANS A				⁶ Well Number 30	
⁷ OGRID No. 167067		⁸ Operator Name XTO Energy, Inc.				⁹ Elevation 6096' GL	

¹⁰ Surface Location

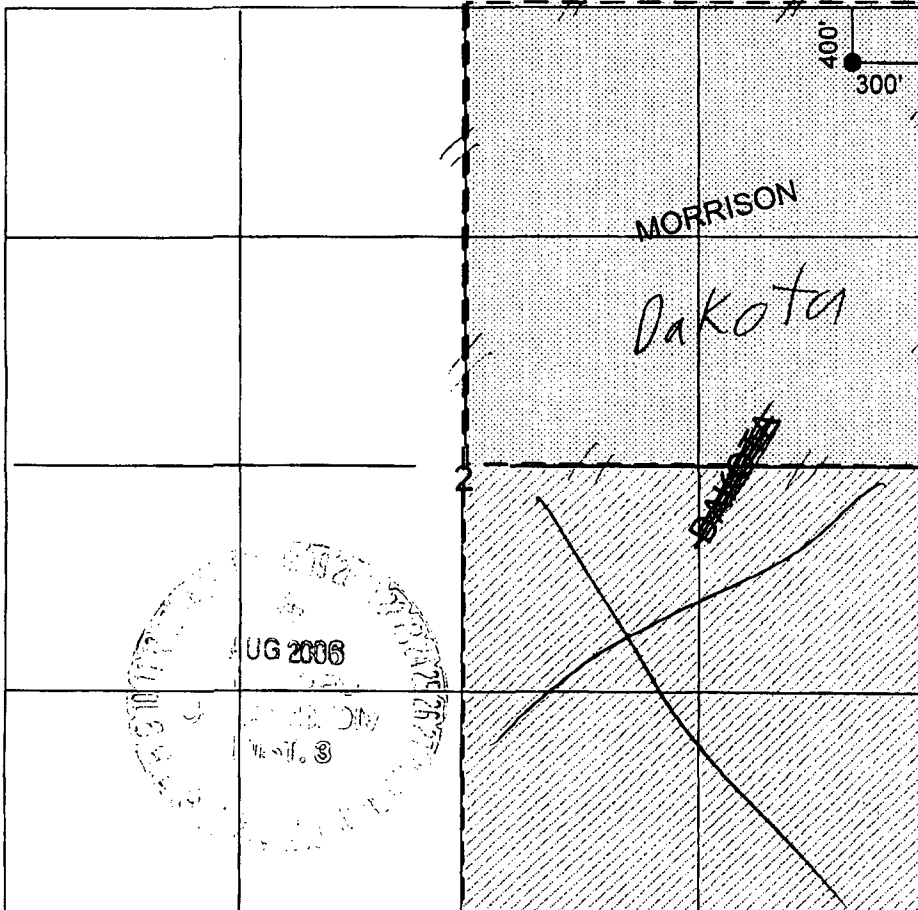
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	2	31N	14W		400	NORTH	300	WEST	SAN JUAN

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	East/West line	County
A	2	31N	14W		794	NORTH	300	EAST	SAN JUAN

¹² Dedicated Acres DK: 260 ac W/2 OP: 60 ac NW1/4NW1/4	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Printed Name

Regulatory Compliance Tech

Title

7/3/06

Date

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.

10/9/1980

Date of Survey

Original Survey Signed By:

Fred B. Kerr

3950

Certificate Number



SECTION PLAT OF 9 SQUARE MILES

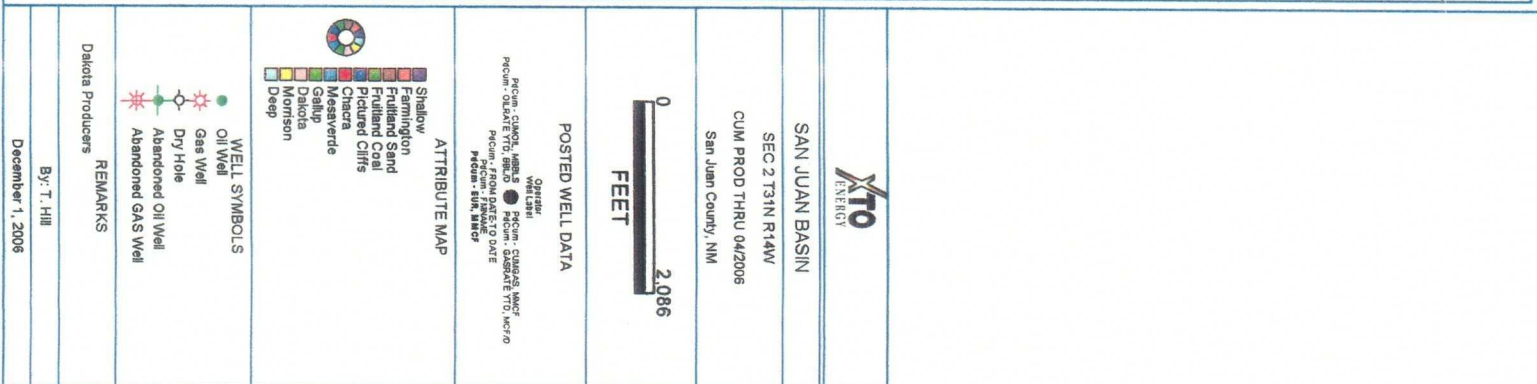
STATE: New Mexico COUNTY: San Juan

PROSPECT: UTE INDIANS A NO. 30 DK DATE: 12/01/2006

SECTION: 02 TOWNSHIP: 31 North RANGE: 14 West

SCALE: 1"=2000'

T32N, R14W, Sec. 34	35 XTO 100%	36 XTO 100%
T31N, R14W, Sec. 03	02 XTO 100%	01 XTO 100%
10	11	12





**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

February 29, 2000

**Cross Timbers Oil Company
810 Houston Street - Suite 2000
Fort Worth, Texas 76102-6298
Attention: Edwin S. Ryan, Jr.**

Administrative Order NSL-4416(BHL)

Dear Mr. Ryan:

Reference is made to the following: (i) your application dated February 23, 2000; (ii) your telephone conversation with Mr. Michael E., Stogner, Chief Hearing Officer/Engineer with the New Mexico Oil Conservation Division ("Division") in Santa Fe, on Monday, February 28, 2000; (iii) supplemental data telefaxed on February 29, 2000; and (iv) the records of the Division: all concerning Cross Timbers Operating Company's ("Cross Timbers") request for a non-standard subsurface gas well location, pursuant to Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, and 111.C (2), to be applicable to the Morrison and Entrada formations, for the proposed Ute Indians "A" Well No. 30 to be drilled from a surface location 400 feet from the North line and 300 feet from the East line (Lot 1/Unit A) of Section 2, Township 31 North, Range 14 West, NMPM, as projected into the unsurveyed Ute Mountain Indian Reservation, San Juan County, New Mexico. Lots 1 and 2 and the S/2 NE/4 (NE/4 equivalent) of Section 2, being a standard 160.24-acre gas spacing and proration unit for both intervals, is to be dedicated to this well.

It is our understanding that Cross Timbers intends to kickoff from the vertical portion of this wellbore at a depth of 1,245 feet to the south and directionally drill to an estimated true vertical depth of 3,800 feet within the Entrada formation at a targeted unorthodox bottomhole location to be approximately 850 feet from the North line and 300 feet from the East line (Unit H) of Section 2.

The geologic interpretation submitted with this application, based on 3-D seismic data, indicates that drilling this well to the proposed unorthodox bottomhole location will enable Cross Timbers to intersect both the potentially productive Morrison and Entrada formations at positions that appear to be more structural advantageous than the nearest standard gas well location within the NE/4 equivalent of Section 2.

The applicable drilling window or "producing area" within the shallower Morrison formation for this wellbore shall include that area within the subject 160.24-acre gas spacing and proration unit comprising the NE/4 equivalent of Section 2 that is:

- (a) no closer than 660 feet to the south and west boundaries of this unit;
- (b) no closer than 600 feet from the North line of Section 2; and
- (c) no closer than 300 feet to the East line of Section 2.

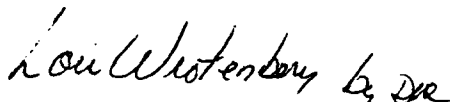
The applicable drilling window or "producing area" within the deeper Entrada formation for this wellbore shall include that area within the subject 160.24-acre gas spacing and proration unit comprising the NE/4 equivalent of Section 2 that is:

- (a) no closer than 660 feet to the south and west boundaries of this unit;
- (b) no closer than 660 feet from the North line of Section 2; and
- (c) no closer than 300 feet to the East line of Section 2.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described non-standard subsurface gas producing areas/bottomhole gas well locations for the Morrison and Entrada formations underlying the NE/4 equivalent of Section 2 are hereby approved.

Further, Cross Timbers shall comply with all provisions of Division Rule 111 applicable in this matter.

Sincerely,

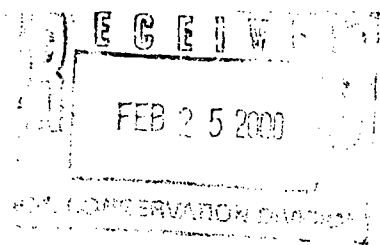


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Durango

NSL 3/16/00



Cross Timbers Oil Company

February 23, 2000

Bureau of Land Management
San Juan Resource Area
701 Camino Del Rio
Durango, Colorado 81301
ATTN: Dan Rabinowitz

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

RE: Application for Unorthodox Location
Ute Dome Dakota Pool
Ute Indians A #30
NE/4 Section 2-31N-14W
San Juan County, New Mexico

Gentlemen:

Cross Timbers Operating Company hereby requests approval of the following unorthodox location:

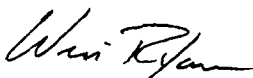
Well Name:	Ute Indians A #30
Pool:	Morrison and Entrada
Location:	Surface: 400' FNL & 300' FEL Top of Morrison: 600' FNL & 300' FEL Top of Entrada: 750' FNL & 300' FEL Bottom Hole: 850' FNL & 300' FEL
Acreage Dedication:	NE/4 Section 2-31N-14W, containing 160 acres, more or less
County/State:	San Juan County, New Mexico
Pool Rules:	660' from lease lines

Attached is the following support and documentation of said application:

1. C-102 Plat
2. Geologic discussion
3. Copy of certified letter sent to offset operators/owners
 - A. Plat of offset operators
 - B. List of offset operators

We look forward to your approval and please call me at (817) 885-2336 with any questions.

Yours very truly,


Edwin S. Ryan, Jr.

*- proposed discussion will be submitted
- have plat show
telephone conversation 2-28-00*

cc: Ute Mountain Ute Tribe
P.O. Box 248
Towaoc, Colorado 81334
ATTN: Mr. Gordon Hammond

NMCOB - Aztec District Office
1000 Rio Brazos Road
Aztec, New Mexico 87410

Bureau of Indian Affairs
Ute Mountain Ute Agency
P.O. Box KK
Towaoc, Colorado 81334

Offset Operators

Bobby Smith - CTOC Midland

Gary Burch

Barry Voigt

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code		*Pool Name	
				MORRISON / ENTRADA	
*Property Code		*Property Name			*Well Number
		UTE INDIANS A			30
*OCRID No.		*Operator Name			*Elevation
167067		CROSS TIMBERS OPERATING COMPANY			6096'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	2	31N	14W		400	NORTH	300	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	East/West line	County
*Dedicated Acres		*Joint or Infill		*Consolidation Code		*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

15 1323.96' LOT 4	5280.00'	LOT 3	LOT 2	LOT 1	1323.96' 300'	17 OPERATOR CERTIFICATION
						<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Loren W. Fothergill</i></p> <p>Signature Loren W. Fothergill Printed Name Production Engineer Title <i>January 14, 2000</i> Date</p>
1320.00'	2640.00'	5280.00'	2640.00'	2640.00'	2640.00'	18 SURVEYOR CERTIFICATION
						<p>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.</p> <p>DECEMBER 30, 1999</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>NEALE C. EDWARDS NEW MEXICO 6857 REGISTERED PROFESSIONAL SURVEYOR</p> <p>Certificate Number 6857</p>

UTE INDIANS "A" #30
GEOLOGIC/GEOPHYSICAL SUMMARY

The Ute Indians "A" #30 is a proposed 3,600' Morrison/Entrada test. The "A" #30 will be directionally drilled from a surface location of 400' FNL and 300' FEL of Section 2-T31N-R14W, San Juan County, New Mexico. The top of the Morrison will be encountered 600' FNL and 300' FEL at a well depth of 2,523'. The top of the Entrada will be encountered 750' FNL and 300' FEL at a well depth of 3,353'. The bottom hole location will be 850' FNL and 300' FEL of the same section. There are currently three wells producing from the Morrison in Ute Dome field and there is no Entrada production in the field. There has been no Morrison production in the NE/4 of section 2.

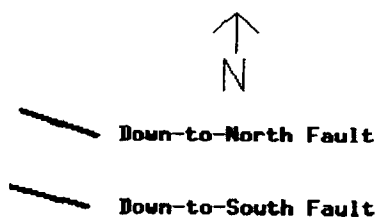
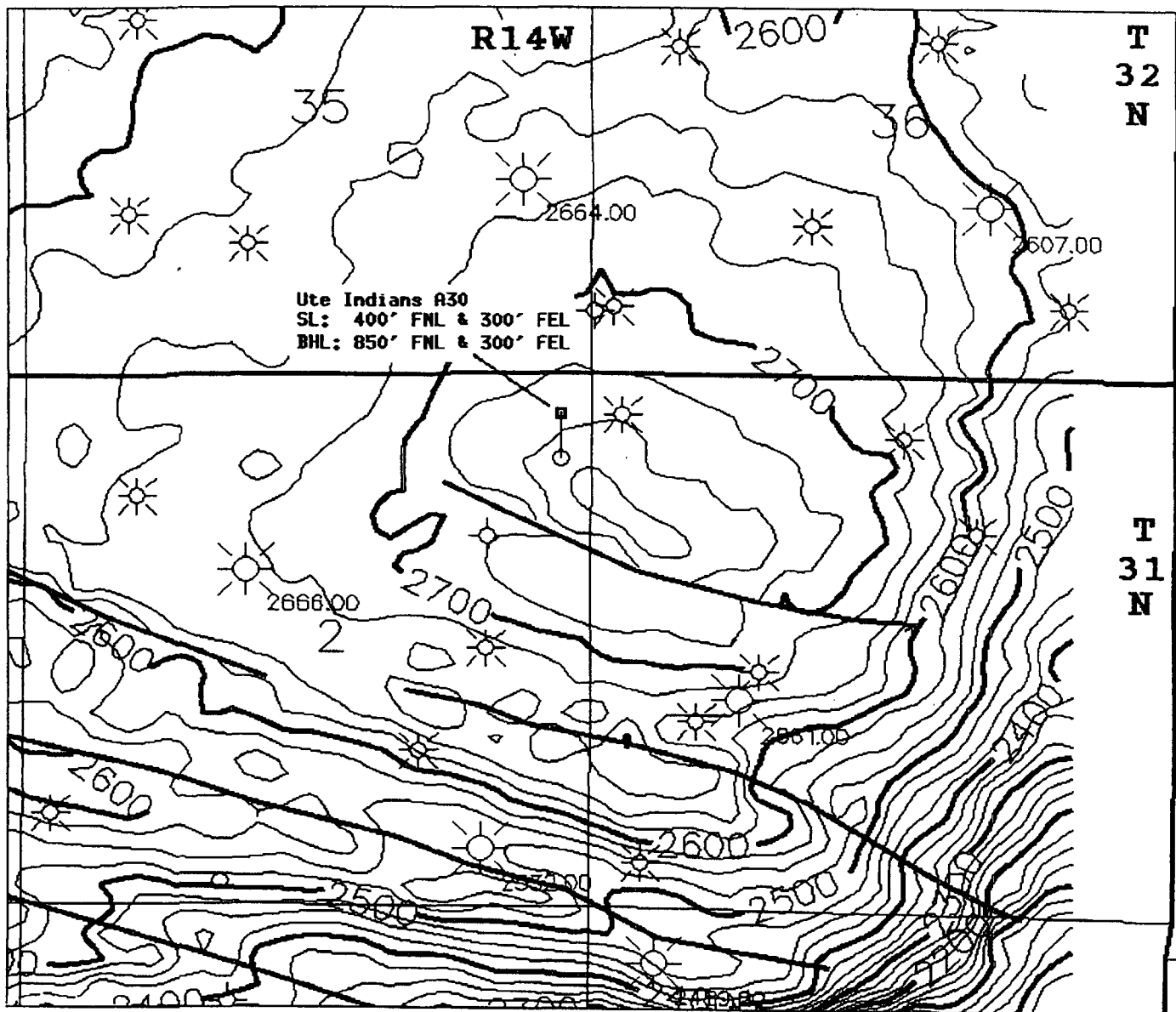
The Ute Dome field is located on a broad semi-circular structure on the Southeastern edge of the Four Corners Platform. On the southeast side of the structure, the entire stratigraphic section dips steeply to the southeast into the San Juan Basin. The southern portion of the structure is bisected at the Morrison/Entrada level by several WNW-ESE trending normal faults. Vertical displacement along these faults can be as much as 250 feet. The faults commonly form four-way structural closures which trap hydrocarbons migrating upward from mature source rocks in the basin.


The attached seismic structure maps on the top of the Dakota Formation and the top of the Entrada Sandstone, were interpreted from a vibroseis ~~3-D seismic survey~~ shot by Amoco in 1995. The data was reprocessed by Cross Timbers Oil Company in 1998. The top of the Morrison is approximately 260' below the top of the Dakota. The location for the proposed Ute Indians "A" #30 was chosen to test the Morrison and Entrada at the highest structural position in the field. The Morrison is productive in structurally lower fault blocks and has never been tested on the crest of the structure. A show was encountered in the Lower Morrison/Entrada in the Cross Timbers Ute Mountain Tribal "J" #7 (NW/4 NW/4 Section 12-T31N-R11W) approximately 1 mile to the SE of the proposed location. The "J" #7 is in a structurally lower position.

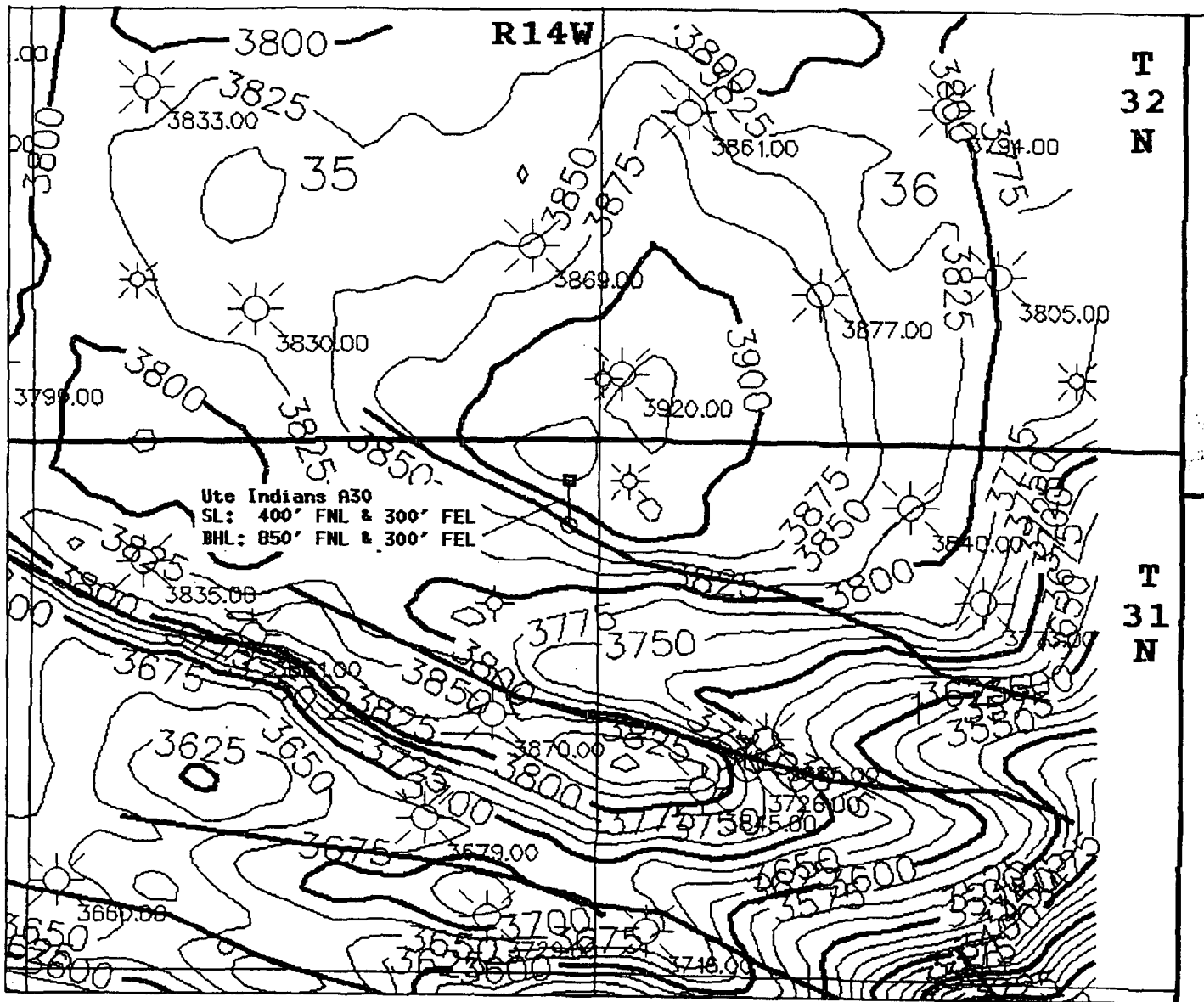
An Unorthodox Location is requested for the Morrison and the Entrada Formations. The requested location will allow Cross Timbers to test each of these Formations on the crest of the Ute Dome structure. We will have more than 50 feet of closure in each zone. A legal location in the NE/4 of section 2 would put the well on the down thrown side of a down-to-the-south normal fault and therefore in a less structurally favorable position to establish Entrada production. The proposed location is not moving the well closer to any current Morrison production. The well is to be drilled directionally due to topographic limitations and a pipeline.



2/21/00



	Cross Timbers Oil Company
UTE DOME FIELD	
San Juan County, New Mexico	
STRUCTURE: Top of Entrada	
February, 2000	HSV/RMH



	Cross Timbers Oil Company
UTE DOME FIELD San Juan County, New Mexico	
STRUCTURE: Top of Dakota	
February, 2000	MSV/RHH

OFFSET OPERATORS/OWNERS

Cross Timbers Oil Company, Applicant, is the only offset operator

CROSS TIMBERS OPERATING CO.

Structure : UTE Indians A No.30

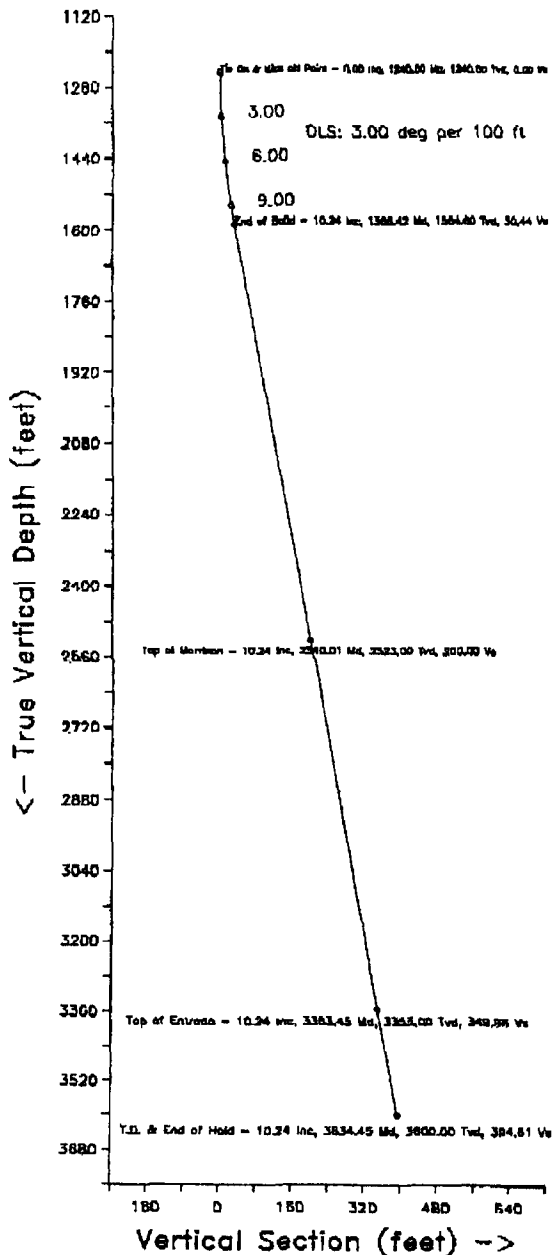
Slot : slot #1

Field :

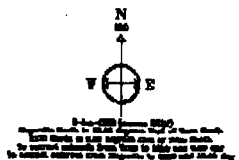
Location : SAN JUAN COUNTY, NEW MEXICO

WELL PROFILE DATA

Point	MD	Inc	GR	TVD	North	East	V. Sect	Dep/100
KOP	1245.00	0.00	180.00	1245.00	0.00	0.00	0.00	0.00
End of Build	1588.42	10.24	180.00	1584.80	-30.44	0.00	30.44	3.00
Target	2540.01	10.24	180.00	2523.00	-200.00	0.00	200.00	0.00
End of Hole	3383.40	10.24	180.00	3353.00	-349.98	0.00	349.98	0.00
T.D. & End of Hole	3534.45	10.24	180.00	3500.00	-394.51	0.00	394.51	0.00

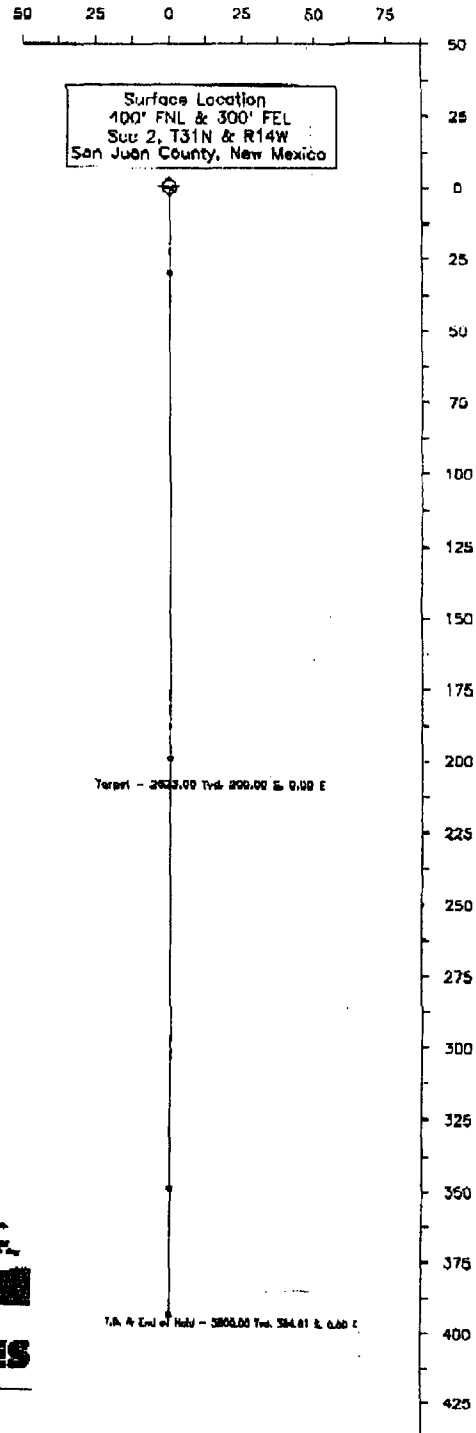


Azimuth 180.00 with reference 0.00 N, 0.00 E from slot #1

BAKER
HUGHES

INTEQ

East (feet) -->



Created by bartw
Date plotted : 6-Jan-2000
Plot Reference is 3 Deg.
Coordinates are in feet reference slot #1.
True Vertical Depths are reference rotary table.

--- Baker Hughes INTEQ ---

CROSS TIMBERS OPERATING CO.
UTE Indians "A" No.30

slot #1

SAN JUAN COUNTY, NEW MEXICO

P R O P O S A L L I S T I N G

by
Baker Hughes INTEQ

Your ref : 3 Deg
Our ref : prop2426
License :

Date printed : 6-Jan-2000
Date created : 6-Jan-2000
Last revised : 6-Jan-2000

Field is centred on 0.000,0.000,0.00000,+
Structure is centred on n30 59 0.000,w107 50 0.000,0

Slot location is n30 59 0.000,w107 50 0.000
Slot Grid coordinates are N -6061.683, E 500000.000
Slot local coordinates are 0.00 N 0.00 E

Projection type: mercator - New Mexico West (3003), Spheroid: Clarke - 1866

Reference North is Grid North

PROPOSAL LISTING Page 1
Your ref : 3 Deg
Last revised : 6-Jan-2000

CROSS TIMBERS OPERATING CO.
UTE Indians "A" No.30, slot #1
, SAN JUAN COUNTY, NEW MEXICO

Measured Depth	Inclin. Degrees	Azimuth Degrees	True Vert Depth	R E C T A N G U L A R C O O R D I N A T E S	Dogleg Deg/100ft	Vert Sect
1245.00	0.00	180.00	1245.00	0.00 N	0.00	0.00
1345.00	3.00	180.00	1344.95	2.62 S	3.00	2.62
1445.00	6.00	180.00	1444.63	10.46 S	3.00	10.46
1545.00	9.00	180.00	1543.77	23.51 S	3.00	23.51
1586.42	10.24	180.00	1584.60	30.44 S	3.00	30.44
2000.00	10.24	180.00	1991.59	103.98 S	0.00	103.98
2500.00	10.24	180.00	2483.63	192.89 S	0.00	192.89
2540.01	10.24	180.00	2523.00	200.00 S	0.00	200.00 Top of Morrison
3000.00	10.24	180.00	2975.66	281.79 S	0.00	281.79
3383.45	10.24	180.00	3353.00	349.98 S	0.00	349.98 Top of Entrada
3500.00	10.24	180.00	3467.69	370.70 S	0.00	370.70
3634.45	10.24	180.00	3600.00	394.61 S	0.00	394.61

All data is in feet unless otherwise stated.
Coordinates from slot #1 and TVD from rotary table.
Bottom hole distance is 394.61 on azimuth 180.00 degrees from wellhead.
Vertical section is from wellhead on azimuth 180.00 degrees.
Calculation uses the minimum curvature method.
Presented by Baker Hughes INTEQ

PROPOSAL LISTING Page 2
Your ref : 3 Deg
Last revised : 6-Jan-2000

CROSS TIMBERS OPERATING CO.
UTE Indians "A" No.30,slot #1
, SAN JUAN COUNTY, NEW MEXICO

Comments in wellpath

MD	TVD	Rectangular Coords.	Comment
2540.01	2523.00	0.00 E	Top of Morrison
3383.45	3353.00	0.00 E	Top of Entrada

Targets associated with this wellpath

Target name	Geographic Location	T.V.D.	Rectangular Coordinates	Revised
		2523.00	200.00S	0.00E
				6-Jan-2000