

DATE IN 3/25/08	SUSPENSE	W Jones ENGINEER	3/25/08 LOGGED IN	DHC TYPE Lors	PKUR080859/082 APP NO.
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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



### 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.

LORRI BINGHAM

Print or Type Name

Signature

REG. COMPLIANCE TECH

Title

3/20/08

Date

Lorri-bingham@xtoenergy.com

e-mail Address

RECEIVED  
2008 MAR 25 AM 7 36

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
DISTRICT II  
1301 W. Grand Avenue, Artesia, 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

XTO ENERGY INC. 382 CR 3100 Aztec, NM 87410  
Operator Address  
CALDWELL A 1E M Sec 27 T26N R11W SAN JUAN  
Lease Well No. Unit Letter-Section-Township-Range County  
OGRID No. 5380 Property Code 22668 API No. 30-045-34442 Lease Type: ☒ Federal ☐ State ☐ Fee

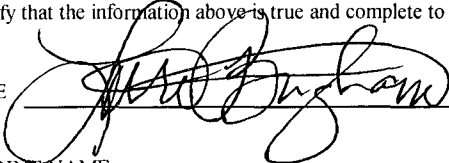
DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	UC BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4917' 5420'		5882' 5975'
Method of Production (Flowing or Artificial Life)	FLOWING		FLOWING
Bottomhole Pressure (Note: Pressure 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)			
Oil Gravity or Gas BTU (Degree API or Gas 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: Rates:	Date: Rates:
	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil: 95 % Gas: 68 %	Oil: % Gas: %	Oil: 5 % Gas: 32 %

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  TITLE REG COMPLIANCE TECH DATE 3/20/08  
TYPE OR PRINT NAME LORRI BINGHAM TELEPHONE NO. ( 505 ) 333-3204  
E-MAIL lorri\_bingham@xtoenergy.com

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires July 31, 2010

**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.*

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**XTO ENERGY INC**

3a. Address

**382 CR 3100 AZTEC, NM 87410**

3b. Phone No. (include area code)

**505-333-3100**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**665' FSL & 825' FWL SEC 27M-26N-R11W**

5. Lease Serial No.

**NMSF-081186A**

6. If Indian, Allottee or Tribe Name

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

**NMM-073688**

8. Well Name and No.

**CALDWELL A #1E**

9. API Well No.

**30-045-34442**

10. Field and Pool, or Exploratory Area

**BASIN DAKOTA/  
WILDCAT BASIN MANCOS**

11. County or Parish, State

**San Juan NM**

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

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- |   |   |  |   |
|---|---|--|---|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                   |
| <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                   |
| <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>DOWNHOLE</b> |
| <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | <b>COMMINGLE</b>  |
| <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 recomplete 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 recompletion 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 final site is ready for final inspection.)

XTO Energy Inc. requests approval for an exception to NMOO Rule 303-C to permit DHC of production from the Basin Dakota & the Wildcat Basin Mancos in the Caldwell A #1E. XTO Energy proposes to downhole commingle these pools upon completion of this well. Allocations are based upon a 9 section EUR and are calculated as follows:

Dakota:	Gas: 32%	Water: 27%	Oil: 5%
Mancos	Gas: 68%	Water: 73%	Oil: 95%

All interest owners were notified of XTO's intent to commingle via certified, return receipt mail on 2/20/2008. Commingling of these pools will minimize operating costs, add reserves & improve economics of the well. The OGD has been notified of our intent to amend DHC 1308 by submission of a C107A on 3/20/2008.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**LORRI D. BINGHAM**

Title **REGULATORY COMPLIANCE TECH**

Signature

Date **3/20/08**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

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



382 CR 3100  
Aztec, NM 87410

February 20, 2008

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling  
Caldwell A #1E  
Unit M, Sec 27, 26N, R11W

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the Basin Dakota and the Wildcat Basin Mancos pools in the Caldwell A #1E. 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	Gas: 32%	Water: 27%	Oil: 5%
Basin Mancos	Gas: 68%	Water: 73%	Oil: 95%

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between zones. If you need additional information or have any questions, I may be contacted at (505) 333-3100. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Lorri D. Bingham".

Lorri D. Bingham  
Regulatory Compliance Tech

xc: well file

ADELANTE OIL AND GAS LLC  
PO BOX 2471  
DURANGO, CO 813022471

CALDWELL A 01E MC

ARGYLE RESOURCES, INC  
P O BOX 367  
ARGYLE, TX 762260000

CALDWELL A 01E MC

BELVA LITTLE  
2513 BOYD AVE  
FORT WORTH, TX 761091022

CALDWELL A 01E MC

BETSY BRYANT  
2201 BROOKHOLLOW  
ABILENE, TX 796055507

CALDWELL A 01E MC

DENNIS R AND TERESA M REIMERS JOINT  
TENANTS  
1594 CACTUS DR  
BAYFIELD, CO 811229634

CALDWELL A 01E MC

HARRIET M. BUCHENAU LIVING TRUST DTD  
8/30/94 HARRI  
PO BOX 867585  
PLANO, TX 750867585

CALDWELL A 01E MC

KARIN STENRUD  
715 VOYAGER DR  
HOUSTON, TX 770620000

CALDWELL A 01E MC

KATHLEEN R LITTLE  
6706 WESTOVER DR  
GRANBURY, TX 760490000

CALDWELL A 01E MC

KATHLEEN R LITTLE LIFE ESTATE  
6706 WESTOVER DR  
GRANBURY, TX 760490000

CALDWELL A 01E MC

MARALEX RESOURCES INC  
PO BOX 338  
IGNACIO, CO 811370338

CALDWELL A 01E MC

MICHAEL LITTLE  
3780 COPPERFIELD  
BRYAN, TX 778020000

CALDWELL A 01E MC

MITZI EASLEY  
1203 ARRONIMIK CIR  
AUSTIN, TX 787466301

CALDWELL A 01E MC

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

CALDWELL A 01E MC

ROBERT LITTLE  
., XX 0

CALDWELL A 01E MC

SARAH S MIMS TRUST WILLIAM L MADSEN AND  
SARAH S MI  
PO BOX 111846  
CARROLLTON, TX 750111846

CALDWELL A 01E MC

STOREY-LINCOLN PRTRNSHP  
21205 5TH AVE S  
DES MOINES, WA 981980000

CALDWELL A 01E MC

SUSAN RITTER  
4700 VIA MEDIA  
AUSTIN, TX 787460000

CALDWELL A 01E MC

XTO ENERGY INC.  
810 HOUSTON STREET  
FORT WORTH, TX 761026298

CALDWELL A 01E MC

API	LEASE NAME	NO.	RESERVOIR	FIELD	SEC	LOCATION	OPERATOR
30045247520000	BERGER	2E	DAKOTA	BASIN	23	26 N 11 W	XTO ENERGY
30045247520000	BERGER	2E	GALLUP	GALLEGOS	23	26 N 11 W	XTO ENERGY
30045057400000	BERGER	3	DAKOTA	BASIN	22	26 N 11 W	XTO ENERGY
30045057400000	BERGER	3	GALLUP	GALLEGOS	22	26 N 11 W	XTO ENERGY
30045290950000	GALLEGOS	4E	DAKOTA	BASIN	33	26 N 11 W	XTO ENERGY
30045290950000	GALLEGOS	4E	GALLUP	GALLEGOS	33	26 N 11 W	XTO ENERGY
	CALDWELL	A1	DAKOTA	BASIN	27	26 N 11 W	XTO ENERGY
	CALDWELL	A1	DAK/GALLUP	COMMINGLE	27	26 N 11 W	XTO ENERGY

		Monthly Prod			%DAK GAS	%DAK OIL	%DAK WAT
1st PROD		OIL	GAS	WATER			
19810731	Dakota Only	8	1440	0	24%	7%	0%
20020331	Stabilized Gallup F	101	4650	29			
19591231	Dakota Only	11	1500	40	30%	7%	56%
20010531	Stabilized Gallup F	141	3445	32			
19941230	Dakota Only	5	1177	50	34%	1%	33%
20061201	Stabilized Gallup F	803	2251	102			
19620731	Dakota Only	12	1016	16	38%	6%	21%
20060531	Commingled	192	2676	77			
AVERAGE ALLOCATION:					32%	5%	27%
					%DAK GAS	%DAK OIL	%DAK WAT

Gallegos 4E	Date	Oil	Gas	Water
	6/30/2006	10	1501.97	0
	7/31/2006	0	1213.74	180
	8/31/2006	12	1516.68	40
	9/30/2006	2	1383	0
	10/31/2006	3	1329	80
	11/30/2006	0	120	0
Dakota		5	1177	50

Date	Oil	Gas	Water
1/31/2007	1436	3174	180
2/28/2006	1239	4329	160
Initial Gallup	1338	3752	170
Stabilized Gallup	803	2251	102

(Assume initial 40% decline)

Berger 2E	Date	Oil	Gas	Water
	10/31/2001	10	1707	0
	11/30/2001	15	1747	0
	12/31/2001	11	1691	0
	1/31/2002	4	1358	0
	2/28/2002	0	696	0
Dakota		8	1439.8	0
	10/31/2003	141	4489	0
	11/30/2003	85	4667	70
	12/31/2003	77	4863	0
	1/31/2004	102	4832	75
	2/29/2004	102	4397	0
Gallup		101.4	4649.6	29

Berger 3	Date	Oil	Gas	Water
	12/31/2000	17	1936	0
	1/31/2001	23	1914	0

2/28/2001	10	1261	0
3/31/2001	0	1476	0
4/30/2001	7	1249	0
Dakota	11	1567	0

1/31/2003	155	3712	0
2/28/2003	117	3231	0
3/31/2003	178	3649	80
4/30/2003	127	3325	0
5/31/2003	129	3308	80
Gallup	141	3445	32

Caldwell A1	Date	Oil	Gas	Water
	12/31/2005	11	505	0
	1/31/2006	8	571	0
	2/28/2006	18	1643	0
	3/31/2006	19	1585	80
	4/30/2006	4	774	0
Dakota		12	1016	16

8/31/2006	195	2766	80
9/30/2006	221	2613	0
10/31/2006	174	2547	0
11/30/2006	192	2503	305
12/31/2006	177	2949	0
Commingled Prod	192	2676	77



%GAL GAS	%GAL OIL	%GAL WAT
76%	93%	100%
70%	93%	44%
66%	99%	67%
62%	94%	79%
68%	95%	73%
%GAL GAS	%GAL OIL	%GAL WAT