

DATE IN 3/3/09	SUSPENSE	ENGINEER W. Jones	LOGGED IN 3/3/09	TYPE DHC	APP NO. PKAA0906254129
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ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2009 MAR 3 PM 1:20 South St. Francis Drive, Santa Fe, NM 87505



30-045-34292
HUN NE PAH #1F
XTO Energy
5380

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

Sr. Regulatory Compliance Tech
Title
3/2/09
Date

Lorri_bingham@xtoenergy.com
e-mail Address

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
DISTRICT III
1090 Rio Hondo 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

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107A
Revised June 10, 2003

APPLICATION TYPE

Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE

Yes No

XTO Energy Inc.
Operator

382 CR 3100 Aztec, NM 87420
Address

HUN NE PAH
Lease

#1F
Well No

SEC 10C- T25N-R11 W
Unit Letter-Section-Township-Range

SAN JUAN
County

OGRID No. 5380

Property Code 22748

API No. 30-045-34292

Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open Hole Interval)	4851' - 5034'		5833' - 5930'
Method of Production (Flowing or Artificial Lift)	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 WELL		NEW WELL
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 exploration will be required.)	Oil: 98 % Gas: 39 %	Oil: % Gas: %	Oil: 2 % Gas: 61 %

Are all working, overriding, and royalty interests identical in all commingled zones?
If not, have all working, overriding, and royalty interests been notified by certified mail?

Yes ☒ No ☐
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 commingled 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 ☐

NMOC'D Reference Case No. applicable to this well:

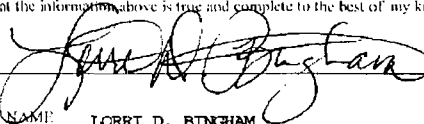
ATTACHMENTS:

- 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 SR. REG COMPLIANCE TECH DATE 3/2/09

TYPE OR PRINT NAME

LORRI D. BINGHAM

TELEPHONE NO. (505) 333-3204

E-MAIL

Lorri_bingham@xtoenergy.com

Jones, William V., EMNRD

From: Lorri_Bingham@xtoenergy.com
Sent: Wednesday, March 04, 2009 9:53 AM
To: Jones, William V., EMNRD
Subject: Hun Ne Pah #1F C-107A
Attachments: Hun Ne Pah #1F Prelim NOI DHC (OCD).pdf

Good morning, Will!

I mailed a C-107A for this well on Monday 3/2/09 and just realized the allocations for oil are incorrect. I have updated the C-107A and attached it here. Would you rather I mailed it - hoping to catch it before it's approved so you can just replace it. Please let me know if you have any questions.

Thanks,

Lorri Bingham
Regulatory Compliance Technician
XTO Energy, Inc./Farmington
(505) 333-3204
Lorri_bingham@xtoenergy.com

This inbound email has been scanned by the MessageLabs Email Security System.

Hand NE T44 #1F

There have been 2 wells, Canyon 17 and Canyon 19, completed into the Gallup after having established production in the Dakota in T25N R11W.
These wells were used in establishing allocation factors for future commingling.

Canyon 17

Added the Gallup in July 2006

Stabilized Gallup Only Production

	BOPM	MCFPM	OIL	GAS	WATER	BWPM
9/30/06	13		13	425	1847	
10/31/06	206		206	260	1410	
11/30/06	113		113	208	2055	
12/31/06	303		303	641	1685	
1/31/07	170		170	635	325	
2/28/07	124		124		0	
3/31/07	67		67	81	1720	
Average	142		142	339	1292	

Percent Gallup			Percent Dakota		
OIL	GAS	WATER	OIL	GAS	WATER
97%	45%	99%	3%	55%	1%

Dakota Only Production - 6 mos prior to add pay

Dakota	BOPM	OIL	MCFPM	GAS	BWPM
12/31/2005		8		343.14	0
1/31/2006		0		373.53	0
2/28/2006		8		611.77	0
3/31/2006		2		320.59	0
4/30/2006		5		408.83	80
5/31/2006		2		424.51	0
Average		4		414	13

Canyon 19

Added the Gallup in April 2006

Stabilized Gallup Only Production

	BOPM	MCFPM	OIL	GAS	WATER	BWPM
Gallup						
9/30/06	497		497	609	80	
10/31/06	392		392	790	0	
11/30/06	612		612	1095	0	
12/31/06	366		366	904	0	
1/31/07	309		309	777	0	
2/28/07	429		429	760	0	
Average	434		434	823	13	

Percent Gallup			Percent Dakota		
OIL	GAS	WATER	OIL	GAS	WATER
99%	33%	57%	1%	67%	43%

Dakota Only Production - 6 mos prior to add pay

Dakota	BOPM	OIL	MCFPM	GAS	BWPM
10/31/2005		14		1605.9	0
11/30/2005		8		2027.47	0
12/31/2005		2		1800.01	60
1/31/2006		5		1789.23	0
2/28/2006		3		1416.68	0
3/31/2006		7		1590.21	0
Average		7		1705	10

Average Gallup-Dakota Allocation in T25N R11W

Percent Gallup			Percent Dakota		
OIL	GAS	WATER	OIL	GAS	WATER
98%	39%	78%	2%	61%	22%