

DATE: 04/16/09	SUSPENSE	ENGINEER: W. Jones	LOGGED IN: 4/16/09	TYPE: DHC	APP NO: OKAAD910651003
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ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

2009 APR 16 AM 10:21 1220 South St. Francis Drive, Santa Fe, NM 87505



3003921998
Breech B 220R
VTD
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 D. Bingham
Print or Type Name

Signature

Regulatory Analyst
Title

4/15/09
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
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.
Operator

382 CR 3100 Aztec, NM 87410
Address

BRECH B
Lease

#220R
Well No.

SEC 14B T26N R7W
Unit Letter-Section-Township-Range

RIO ARriba
County

OGRID No. 5380

Property Code 304750

API No. 30-039-21998

Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BLANCO SO. PC	OTERO CHACRA	BLANCO MESAVERDE
Pool Code	72439	82329	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2720' - 2804'	3628' - 3788'	5034' - 5162'
Method of Production (Flowing or Artificial Life)	FLOWING	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)	212 PSIG	217 PSIG	311
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1.264	1.264	1.264
Producing, Shut-In or New Zone	PRODUCING	PRODUCING	PRODUCING
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: 2/1/09 Rates: 0 BO/910 MCF/30.8 BW	Date: 2/1/09 Rates: 0 BO/390 MCF/0 BW	Date: 2/1/09 Rates: 5 BO/354 MCF/4.6 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil: 0 % Gas: 18 %	Oil: 0 % Gas: 8 %	Oil: 34 % Gas: 41 %

Are all working, overriding, and royalty interests identical in all commingled zones?

Yes X 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 X No

Will commingling decrease the value of production?

Yes No X

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 X No

NMOCD Reference Case No. applicable to this well: DHC 1027

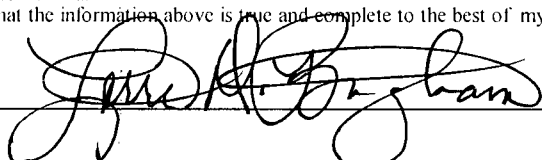
ATTACHMENTS:

- 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 REGULATORY ANALYST

DATE 4/15/09

TYPE OR PRINT NAME

LORRI D. BINGHAM

TELEPHONE NO. (505) 333-3204

E-MAIL

Lorri_bingham@xtoenergy.com

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
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APPLICATION FOR DOWNHOLE COMMINGLING

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EXISTING WELLBORE

Yes No

XTO Energy Inc. 382 CR 3100 Aztec, NM 87410
Operator Address

BREECH B #220R SEC 14B T26N R7W RIO ARRIBA
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 5380 Property Code 304750 API No. 30-039-21998 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name			BASIN DAKOTA
Pool Code			71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)			7073' - 7240'
Method of Production (Flowing or Artificial Lift)			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)			330 PSIG
Oil Gravity or Gas BTU (Degree API or Gas BTU)			1.247
Producing, Shut-In or New Zone			PRODUCING
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: 2/1/09 Rates: 9 BO/290 MCF/4.6 BW
	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: % Gas: %	Oil: % Gas: %	Oil: 66 % Gas: 33 %

Are all working, overriding, and royalty interests identical in all commingled zones? Yes X 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 X No
Will commingling decrease the value of production? Yes No X
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 X No

NMOCD Reference Case No. applicable to this well: DHC-1027

ATTACHMENTS:
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Bottomhole pressure data.
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Lorri D. Bingham TITLE REGULATORY ANALYST DATE 4/15/09

TYPE OR PRINT NAME LORRI D. BINGHAM TELEPHONE NO. (505) 333-3204

E-MAIL Lorri_bingham@xtoenergy.com

Breech B #220 R

MCFPM	DK	MV	CH	PC	
Sep-08	1249.2	1526.8	254.1	592.9	
Aug-08	1228	1500.8	333.2	777.6	
Jul-08	1275.7	1559.1	286.7	669.1	
Avg	1250.967	1528.9	291.3333	679.8667	3751.067
BOPM	DK	MV	CH	PC	
Sep-08	4.4	2.3		0	
Aug-08	15.4	7.9		0	
Jul-08	14.3	7.4		0	
Avg	11.36667	5.866667	0	0	17.23333
BWPM	DK	MV	CH	PC	
Sep-08	0	0	0	0	
Aug-08	0	0	0	0	
Jul-08	0	0	0	0	
Avg	0	0	0	0	
Allocations %					
	MCF	BO	BW		
DK	33	66	66		
MV	41	34	34		
CH	8				
PC	18				