

DATE IN <u>8/20</u>	SUSPENSE	ENGINEER <u>Breels</u>	LOGGED IN <u>8/21</u>	TYPE <u>NSL</u>	PTGW APP NO. <u>0923345949</u>
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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



*RPC-17 Well No. 4*  
*30-045-30955-*

*XTO (5380)*

*4686-A*

**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.**

Aaron Austin  
Print or Type Name

[Signature]  
Signature

Landman  
Title

8-19-09  
Date

Aaron\_Austin@xtoenergy.com  
e-mail Address

*was drilled as a PC well*  
*see; NSL-4686*  
2009 AUG 20 P 3:15  
RECEIVED OCD



August 19, 2009

**VIA FEDEX OVERNIGHT**

Mr. David Catanach  
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 RPC 17 #4 – Fruitland Coal Formation  
562' FSL and 1392' FEL, Section 17, T29N, R13W  
Rio Arriba County, New Mexico

Dear Mr. Catanach:

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

1. Topographic maps (2)
2. Production maps (2)
3. Fruitland Coal Ownership map

The RPC 17 #4 was drilled in 2002 and was producing from the Pictured Cliffs formation. XTO proposes to plug and abandon the Pictured Cliffs formation and to complete the Fruitland Coal formation. The Fruitland Coal formation will be spaced on a 320 acre south half unit.

XTO has completed the plug and abandonment of the Pictured Cliffs and completion of the Fruitland Coal on August 6, 2009 without knowing the formation was NSL. The oversight has come to our attention and we are taking the immediate steps to notifying the NMOCD and offsetting owners.

XTO has concluded that a stand alone new drill targeting the Fruitland Coal formation would be uneconomical. In an effort to prevent waste, minimize surface disturbance, and extract oil and gas that would otherwise be uneconomical to recover, XTO requests an administrative approval for the unorthodox location based on the above information.

Should you need any additional information, please contact me at (817) 885-3064.

Yours truly,

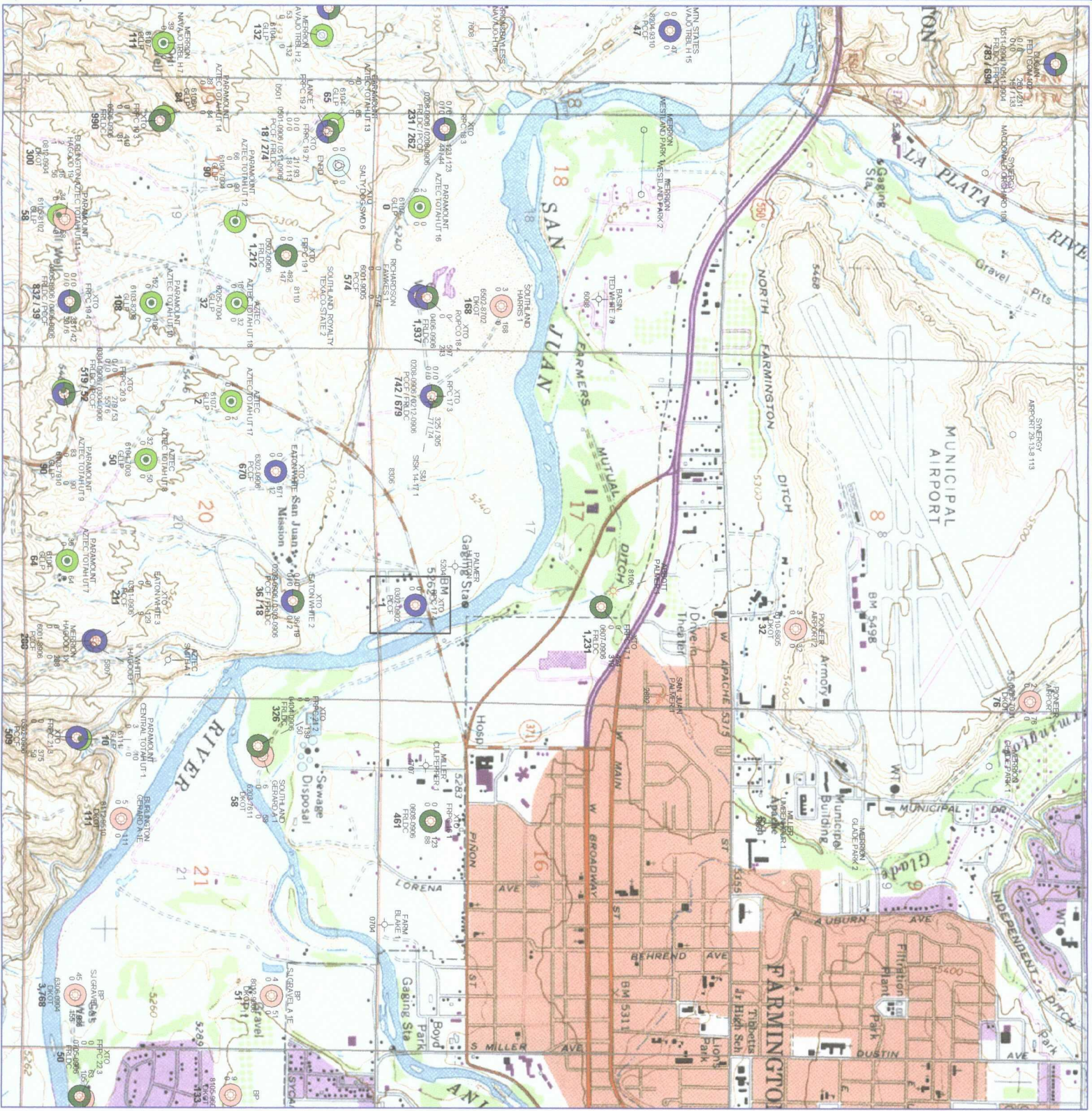
A handwritten signature in black ink, appearing to read 'Aaron Austin', written over a horizontal line.

Aaron Austin  
Landman

cc: Mr. Gerald L. Cochran

Enclosures





# XTO ENERGY INC.

SAN JUAN BASIN

SEC 17 T29N R13W

CUM PROD @ 6/2009

San Juan County, New Mexico

Ratio Scale = 1 : 24,000



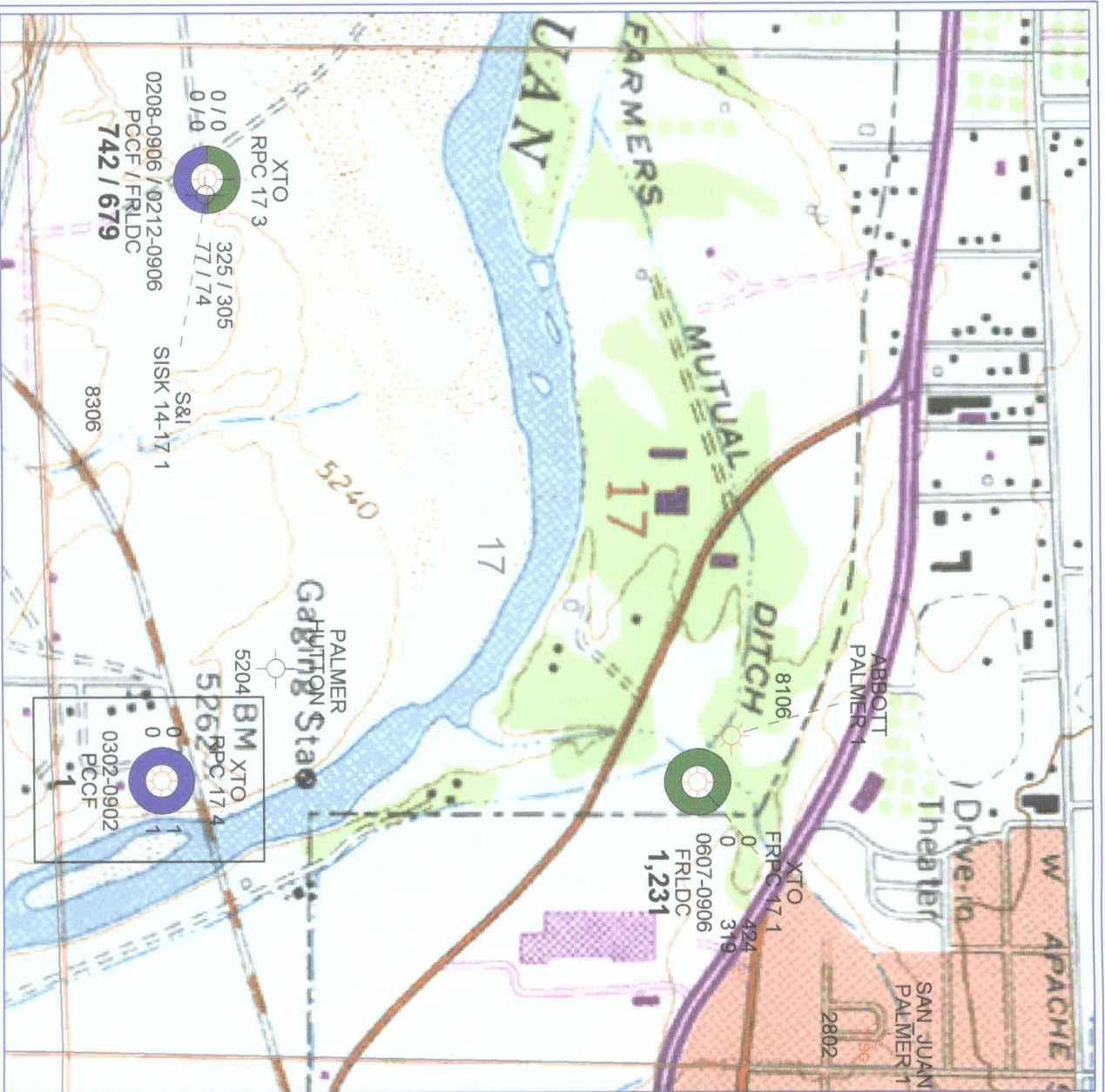
## POSTED WELL DATA



## WELL SYMBOLS

- Shallow
- Farmington
- Fruitland Sand
- Fruitland Coal
- Pictured Cliffs
- Chisaca
- Mesaverde
- Dakota
- Morrison
- Entrada
- Deep
- Dry Hole With Gas Show
- Gas Well
- Injection Well
- Location
- Oil Well
- Service Well
- Suspended Well





XTO ENERGY INC.

SAN JUAN BASIN

SEC 17 T29N R13W

CUM PROD @ 6/2009

San Juan County, New Mexico



POSTED WELL DATA



### ATTRIBUTE MAP

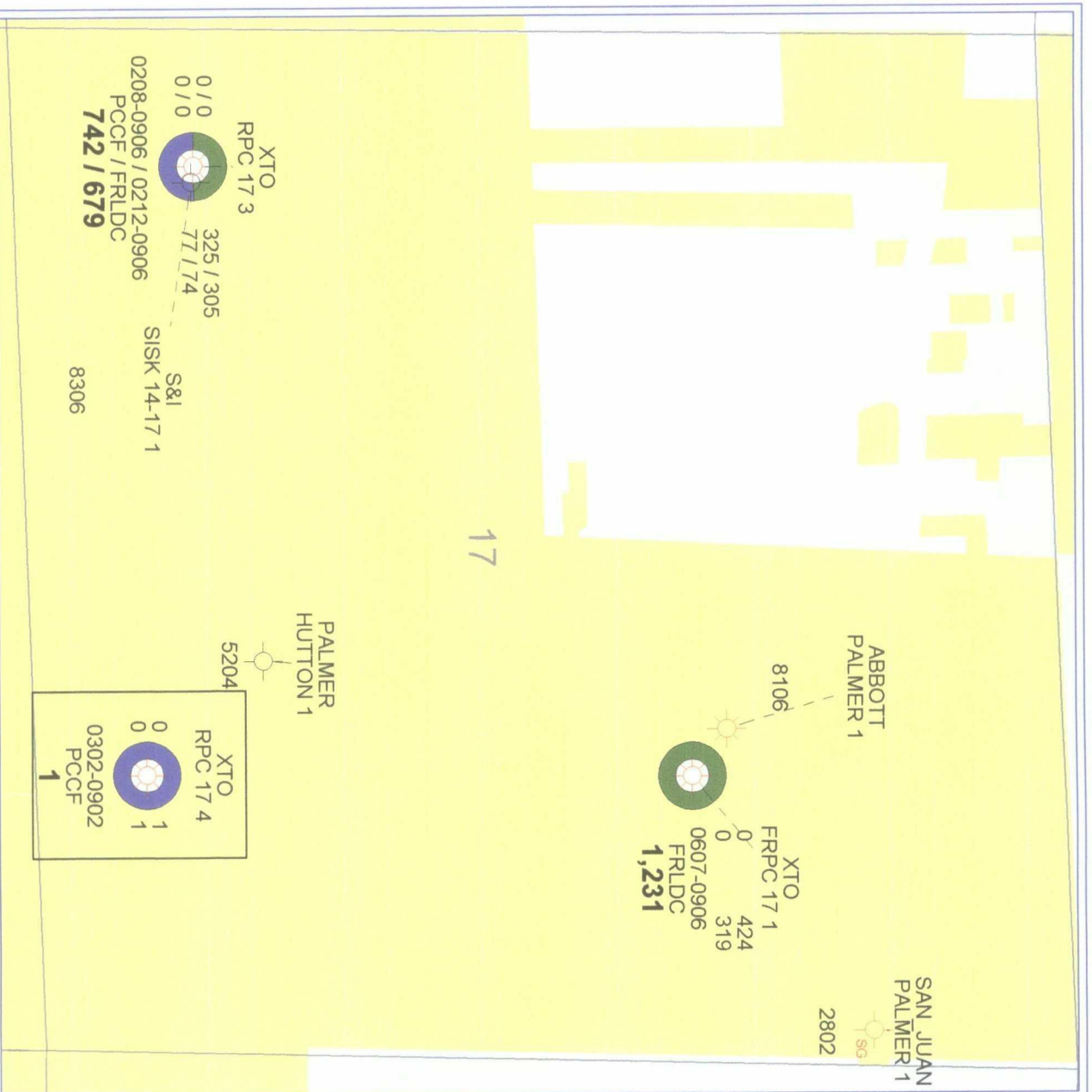
Shallow Farmington  
Fruitland Sand  
Fruitland Coal  
Pictured Cliffs  
Chacra  
Mesaverde  
Gallup

### WELL SYMBOLS

 Dry Hole  
 Gas Well

By: Jane Foster  
August 17, 2009





XTO ENERGY INC.

SAN JUAN BASIN

SEC 17 T29N R13W

CUM PROD @ 6/2009

San Juan County, New Mexico



POSTED WELL DATA



### ATTRIBUTE MAP



WELL SYMBOLS

### Dry Hole With Gas Show

Gas Well

By: Jane Foster

August 17, 2009



# SECTION PLAT OF 9 SQUARE MILES

STATE: New Mexico COUNTY: San Juan

PROSPECT: RPC 17 #4 DATE: August 19, 2009

SECTION: 17 TOWNSHIP: 29 North RANGE: 13 West

SCALE: 1"=2000'

7	8	9
18	17	16
19	20	21

XTO Energy Inc -  
100.00%

XTO Energy Inc. -  
99.8748%  
Gerald L. Cochran -  
0.1252%





August 19, 2009

VIA FEDEX OVERNIGHT

Mr. Gerald L. Cochran  
1509 Schofield Ln., Suite B  
Farmington, New Mexico 87401

Re: Application for Administrative Approval of Unorthodox Location  
XTO Energy Inc.'s RPC 17 #4 – Fruitland Coal Formation  
562' FSL and 1392' FEL, Section 17, T29N, R13W  
Rio Arriba County, New Mexico

Dear Mr. Cochran,

Enclosed is a copy of an Application for Administrative Approval of Unorthodox Location for the RPC 17 #4 well in the Fruitland Coal formation. The application has also been sent to the New Mexico Oil Conservation Commission for administrative approval.

The RPC 17 #4 completion in the Fruitland Coal formation causes the well to be located in a Non-Standard Location (NSL) due to its location not being more than 660 feet from the unit line. The Fruitland Coal formation will be spaced on 320 acres consisting of the south half of the section.

The existing well was drilled at a non-standard location for the currently producing West Kutz Pictured Cliffs formation. However, XTO has recently discovered this fact and is taking the necessary steps to send out required notices and apply for State approval after-the-fact. XTO completed the Fruitland Coal formation on August 6, 2009.

XTO is requesting permission from the New Mexico Oil Conservation Commission and necessary offsetting owners for approval to recomplete the existing well in an effort to conserve resources.

If you have no objection to the proposed non-standard location, please so indicate by signing and returning one copy of this letter to me at the address shown at the bottom of this letter. However, if you object to the above described operations, you must file an objection with the New Mexico Oil Conservation Commission within 20 days, as required by the OCD rule 15.13.D (19.15.15.13D NMAC).

Should you have any questions, please contact me at (817) 885-3064.

Yours truly,

A handwritten signature in black ink, appearing to read "Aaron Austin", written over a horizontal line.

Aaron Austin  
Landman

Enclosures

cc: David K. Brooks, NMOCD



*Mr. Gerald L. Cochran*  
*RPC 17 #4 – Fruitland Coal NSL Notice*  
*August 19, 2009*  
*Page Two*

\_\_\_\_\_ hereby waives notice of hearing and objection to the application by  
XTO Energy Inc. for the non-standard location for the RPC 17 #4 well in the Fruitland Coal Formation.

By: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_



Shipment Receipt

**Address Information****Ship to:**Mr. Gerald L.  
Cochran**Ship from:**

Suzanna Tambunga

1509 SCHOFIELD LN STE B  
XTO Energy  
810 Houston St.FARMINGTON, NM  
87401-7453  
US  
8178852692  
Fort Worth, TX  
76102  
US  
8178852692**Shipping Information**

Tracking number: 796875933767

Ship date: 08/19/2009

Estimated shipping charges: 11.10

**Package Information**

Service type: Priority Overnight

Package type: FedEx Envelope

Number of packages: 1

Total weight: 1LBS

Declared value: 0.00USD

Special Services:

Pickup/Drop-off: Use an already scheduled pickup at  
my location**Billing Information**

Bill transportation to: Sender

Your reference: aa-RPC 17 #4 FC

P.O. no.:

Invoice no.:

Department no.:



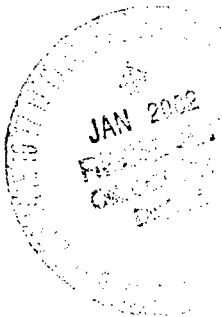
# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON  
Governor  
Jennifer A. Salisbury  
Cabinet Secretary

January 15, 2002

Lori Wrotenbery  
Director  
Oil Conservation Division

Richardson Operating Company  
c/o Permits West, Inc.  
37 Verano Loop  
Santa Fe, New Mexico 87505  
Attention: Brian Wood



*Administrative Order NSL-4686*

Dear Mr. Wood:

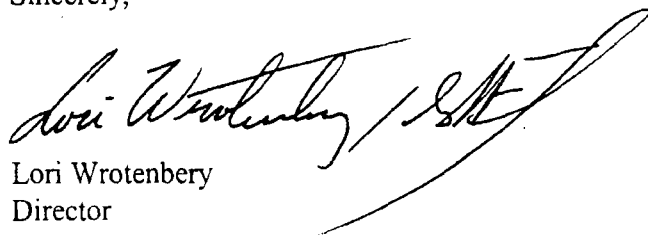
Reference is made to the following: (i) your application on behalf of the operator, Richardson Operating, Inc. ("Richardson"), that was submitted to the New Mexico Oil Conservation Division ("Division") on December 26, 2001 (*application reference No. pKRV0-136545477*); and (ii) the Division's records in Santa Fe and Aztec: all concerning Richardson's request to drill its proposed RPC "17" Well No. 4 (API No. 30-045-30955) at an unorthodox Pictured Cliffs gas well location 562 feet from the South line and 1392 feet from the East line (Unit O) of Section 17, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.

The SE/4 of Section 17 is to be dedicated to this well in order to form a standard 160-acre gas spacing and proration unit for the West Kutz-Pictured Cliffs Pool (79680).

This application has been duly filed under the provisions of 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.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Pictured Cliffs gas well location is hereby approved.

Sincerely,

  
Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec



**Brooks, David K., EMNRD**

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**From:** Aaron\_Austin@xtoenergy.com  
**Sent:** Tuesday, September 08, 2009 10:31 AM  
**To:** Brooks, David K., EMNRD  
**Cc:** Matthew\_Phillips@xtoenergy.com; Mary\_Flynn@xtoenergy.com  
**Subject:** RPC 17 #4 - FC NSL Waiver  
**Attachments:** RPC 17 #4 - FC NSL Waiver - Gerald Cochran.pdf

Mr. Brooks,

Attached is a scanned image of the NSL waiver for the subject well. Mr. Cochran was the only working interest owner that required notification for the NSL. If you would like a copy of the original, please let me know.  
Thank you.

(See attached file: RPC 17 #4 - FC NSL Waiver - Gerald Cochran.pdf)

Aaron Austin  
XTO Energy Inc.  
Phone: (817) 885-3064  
Fax: (817) 885-1854

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

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Mr. Gerald L. Cochran  
RPC 17 #4 – Fruitland Coal NSL Notice  
August 19, 2009  
Page Two

GERALD L. COCHRAN hereby waives notice of hearing and objection to the application by  
XTO Energy Inc. for the non-standard location for the RPC 17 #4 well in the Fruitland Coal Formation.

By:

Date:

Gerald L. Cochran  
8-20-09