

1/23/04

DHC

LR

PLR0402626899

DRC



RECEIVED

JAN 23 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

January 15, 2004

Ms. Lori Wrotenberry
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

3237

RE: Application for Exception to Rule 303-C Downhole Commingle
Riddle Gas Com A #1R
Unit G, Sec. 09, T 27 N, R-09 W
San Juan County, New Mexico

Dear Ms. Wrotenberry,

XTO Energy Inc. respectfully request approval to modify the existing downhole commingle order DHC 863AZ by the addition of the Otero Chacra formation to the existing DHC order. Presently DHC 863AZ pertains to the downhole commingling of the Blanco Mesaverde and the Basin Dakota pools in the Riddle Gas Com A #1R. The pools are presently completed and separated by CIBP. Upon approval of the downhole commingling application, the CIBP will be drilled out and the pools commingled. The WI, NRI and ORRI interests are common between the three pools. Downhole commingling will offer an economic method of production, will improve recovery of liquids, eliminating redundant surface equipment and maximize compressor efficiency.

Based upon the last three months production analysis for the and the Otero Chacra, Blanco Mesaverde and the Basin Dakota formation the following allocation percentages were determined:

Basin Dakota (71599)	Oil 64%	Water 41%	Gas 32%
Blanco Mesaverde (72319)	Oil 36%	Water 23%	Gas 32%
Otero Chacra (82329)	Oil 0%	Water 36 %	Gas 36%

XTO Energy Inc. request your approval to downhole commingle the Otero Chacra, Blanco Mesaverde and the Basin Dakota pools. Should you need any additional information please contact me at (505) 324 1090.

Sincerely,

Loren W. Fothergill
Loren W. Fothergill
Production Engineer

Cc: TWD
LWF
George Cox – FTW Land
Well File

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well

☐ Establish Pre-Approved Pools

EXISTING WELLBORE

☐ Yes ☒ No

APPLICATION FOR DOWNHOLE COMMINGLING

XTO Energy Inc

2700 Farmington Ave., Bldg K, Ste. 1, Farmington, NM 87401

Operator

Riddle Gas Com A

Address

Unit G, Sec 9, T27N, R9W

San Juan

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 167067 Property Code _____ API No. 30-045-31138 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Otero Chacra	Blanco Mesaverde	Basin Dakota
Pool Code	82329	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3,167' – 3,332' Perforated	4,526' – 4,867' Perforated	6,595' – 6,783' Perforated
Method of Production (Flowing or Artificial Lift)	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)	Est 300 psig	Est 340 psig	Est 300 psig
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1274	1217	1222
Producing, Shut-In or New Zone	Producing	SI	SI
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: 10/03 – 12/03 Rates: 1928 MCFPM 107 BWPM 0 BOPM	Date: 5/03 – 7/03 Rates: 1725 MCFPM 67 BWPM 7 BOPM	Date: 5/30 – 7/03 Rates: 1657 MCFPM 119 BWPM 13 BOPM
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 Water 0 % 36 % 36 %	Oil Gas Water 36 % 32 % 23 %	Oil Gas Water 64 % 32 % 41 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners 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 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: DHC 863A-2

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 working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

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 Darrin Steed TITLE Regulatory Supervisor DATE January 20, 2004

TYPE OR PRINT NAME Darrin Steed TELEPHONE NO. (505) 324-1090

E-MAIL ADDRESS Darrin_Steed@XTOEnergy.com

Well: RIDDLE GAS COM A **No.:** 001R

Operator: XTO ENERGY, INC. [NM SLO data]

API: 3004531138 **Township:** 27.0N **Range:** 09W

Section: 9 **Unit:** G

Land Type: P **County:** San Juan **Total Acreage:** 788.54

Number of Completion with Acreage: 3

Accumulated:

Oil: 469 (BBLs) **Gas:** 40519 (MCF)

Water: 2919 (BBLs) **Days Produced:** 98 (Days)

Year: 2002

Pool Name: BASIN DAKOTA (PRORATED GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL S)	Days Produced	Accum. Oil(BBLS)	Accum. Gas(MCF)
January	0	0	0	0	0	0
February	0	0	0	0	0	0
March	0	0	0	0	0	0
April	0	0	0	0	0	0
May	0	0	0	0	0	0
June	0	0	0	0	0	0
July	0	0	0	0	0	0
August	0	0	0	0	0	0
September	0	0	0	0	0	0
October	0	0	0	0	0	0
November	54	577	102	4	54	577
December	85	4570	416	0	139	5147
Total	139	5147	518	4		

Pool Name: BLANCO-MESAVERDE (PRORATED GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL S)	Days Produced	Accum. Oil(BBLS)	Accum. Gas(MCF)
January	0	0	0	0	139	5147
February	0	0	0	0	139	5147
March	0	0	0	0	139	5147
April	0	0	0	0	139	5147
May	0	0	0	0	139	5147
June	0	0	0	0	139	5147
July	0	0	0	0	139	5147
August	0	0	0	0	139	5147

September	0	0	0	0	139	5147
October	0	0	0	0	139	5147
November	30	601	58	4	169	5748
December	48	4757	234	0	217	10505
Total	78	5358	292	4		

Year: 2003

Pool Name: BASIN DAKOTA (PRORATED GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL S)	Days Produced	Accum. Oil(BBLS)	Accum. Gas(MCF)
January	37	2187	256	31	254	12692
February	25	1396	154	0	279	14088
March	35	1370	102	0	314	15458
April	15	1265	154	0	329	16723
May	19	1698	153	0	348	18421
June	12	1695	102	0	360	20116
July	8	1578	102	0	368	21694
August	11	1178	74	0	379	22872
September	0	0	0	0	379	22872
October	0	0	0	0	379	22872
November	0	0	0	0	379	22872
December	0	0	0	0	379	22872
Total	162	12367	1097	31		

Pool Name: BLANCO-MESAVERDE (PRORATED GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL S)	Days Produced	Accum. Oil(BBLS)	Accum. Gas(MCF)
January	21	2277	144	31	400	25149
February	13	1454	86	0	413	26603
March	20	1425	58	0	433	28028
April	8	1315	86	0	441	29343
May	10	1767	86	0	451	31110
June	8	1764	58	0	459	32874
July	4	1643	58	0	463	34517
August	6	1225	41	0	469	35742
September	0	0	0	0	469	35742
October	0	0	0	0	469	35742
November	0	0	0	0	469	35742
December	0	0	0	0	469	35742
Total	90	12870	617	31		

Pool Name: OTERO CHACRA (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL S)	Days Produced	Accum. Oil(BBLS)	Accum. Gas(MCF)
January	0	0	0	0	469	35742
February	0	0	0	0	469	35742
March	0	0	0	0	469	35742
April	0	0	0	0	469	35742
May	0	0	0	0	469	35742
June	0	0	0	0	469	35742
July	0	0	0	0	469	35742
August	0	0	0	0	469	35742
September	0	4777	395	28	469	40519
October	0	2306	160	28	469	42825
November	0	2179	80	30	469	45004
December	0	1298	80	31	469	46302 est
Total	0	10560	715	117		

3 month avg production	CH	MV	DK
MCFPM	1928	1725	1657
BWPM	107	67	119
BOPM	0	7.3	13

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, 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 & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31138	² Pool Code 82329	³ Pool Name Otero Chacra
⁴ Property Code	⁵ Property Name Riddle Gas Com A	⁶ Well Number 1R
⁷ OGRID No. 167067	⁸ Operator Name XTO Energy Inc	⁹ Elevation 6612'

¹⁰ Surface Location

UL or lot no. G	Section 9	Township 27N	Range 9W	Lot Idn	Feet from the 2,110'	North/South line North	Feet from the 1,580'	East/West line East	County 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

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

¹⁶	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Darrin Steed Printed Name Regulatory Supervisor Title August 8, 2003 Date
	¹⁸ SURVEYOR CERTIFICATION <i>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.</i> March 27, 2002 Date of Survey Signature and Seal of Professional Surveyor: Original signed by David A. Johnson 14827 Certificate Number

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

P.O. 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

¹ API Number 30045-31138	² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code 30048	⁵ Property Name RIDDLE GAS COM A	⁶ Well Number 1R
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6212

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
G	9	27-N	9-W		2110	NORTH	1580	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
¹² Dedicated Acres 316.18	E/2				¹³ Joint or Infill I	¹⁴ Consolidation Code	¹⁵ 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

<div><p>16</p><p>N/4 CORNER GLO BC 1947</p><p>S 87-12-07 W 2625.0'(M)</p><p>NE SEC. CORNER GLO BC 1947</p><p>2110'</p><p>844'</p><p>SF-D18354-A</p><p>990'</p><p>295'</p><p>1580'</p><p>422'</p><p>FEE</p><p>SF-D78354-A</p><p>FEE</p><p>N 00-51 W 2606.34' (R)</p><p>2612' (R)</p><p>S 86-53 W</p><p>CALC'D CORNER</p></div>	<div><p>17 OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p><p>Signature <u>Jeffrey W Patton</u></p><p>Printed Name <u>JEFFREY W PATTON</u></p><p>Title <u>DRILLING ENGINEER</u></p><p>Date <u>6-25-02</u></p></div>
<div><p>18</p><p>S 02-19-55 W 2532.4' (M)</p><p>E/4 CORNER GLO BC 1947</p><p>2669.4' (R)</p><p>S 00-05 W</p><p>2669.4' (R)</p><p>CALC'D CORNER</p><p>S 86-53 W 2612' (R)</p><p>CALC'D CORNER</p></div>	<div><p>18 SURVEYOR CERTIFICATION</p><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>Date of Survey <u>MARCH 27 2002</u></p><p>Signature and Seal <u>DAVID A. JOHNSON</u></p><p>REGISTERED PROFESSIONAL SURVEYOR 14827</p><p>Certificate Number</p></div>

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

P.O. 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

¹ API Number 30-045-31138	² Pool Code 72319	³ Pool Name BLANCO MESAVERDE
⁴ Property Code 30048	⁵ Property Name RIDDLE GAS COM A	⁶ Well Number 1R
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6212

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
G	9	27-N	9-W		2110	NORTH	1580	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
¹² Dedicated Acres 316.18	¹³ Joint or Int'l E/ Z	¹⁴ Consolidation Code I	¹⁵ 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

<p>16</p> <p>N/4 CORNER GLO BC 1947</p> <p>2625.0'(M)</p> <p>NE SEC. CORNER GLO BC 1947</p> <p>SF-D78354-A</p> <p>2110'</p> <p>844'</p> <p>990'</p> <p>295'</p> <p>1580'</p> <p>422'</p> <p>FEE</p> <p>SF-D78354-A</p> <p>FEE</p> <p>900-51 W 2608.34' (R)</p> <p>S 86-53 W</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature <u>Jeffrey W. Patton</u></p> <p>Printed Name <u>JEFFREY W. PATTON</u></p> <p>Title <u>DRILLING ENGINEER</u></p> <p>Date <u>6-25-02</u></p> <p>18 SURVEYOR CERTIFICATION</p> <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>Date of Survey <u>MARCH 27 2002</u></p> <p>Signature and Seal of <u>DAVID A. JOHNSON</u></p> <p>REGISTERED PROFESSIONAL SURVEYOR NEW MEXICO 14867</p> <p>Certificate Number</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------