

DATE IN 9/28/01	SUSPENSE 10/18/01	ENGINEER DC	LOGGED KW	TYPE PLC
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ABOVE THIS LINE FOR DIVISION USE ONLY

127439847

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -

92

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

**Application Acronyms:**

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
[DD-Directional Drilling] [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]

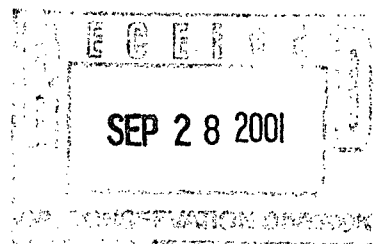
[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling  
☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [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



[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] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Ray Martin

*Ray Martin*

Operations Engineer

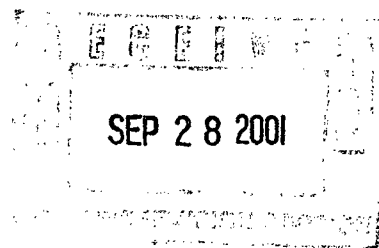
9/18/01

Print or Type Name

Signature

Title

Date



September 19, 2001

Mr. David Catanach  
New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

RE: Administrative Approval to Surface Commingle Gas Production  
Masden Gas Com #1E & Hartman #1R  
Sec 28, T29N, R11W  
San Juan County, NM

Dear Mr. Catanach,

XTO Energy, Inc. requests administrative approval to surface commingle gas production from the Masden Gas Com #1E and the Hartman #1R. The Masden Gas Com #1E is a Basin Dakota Pool well which has a gas compressor on it. The Hartman #1R is a new well drilled in August, 2001 and located approximately 500' east of the Masden Gas Com #1E. It is shut in because it cannot produce against line pressure without compression. XTO plans to use the compressor on the Masden Gas Com #1E and compress gas from both wells. Having both wells on compression will help them overcome sales line pressure, maximizing their gas rates. Sharing a compressor will lower operating costs and reduce fuel gas usage versus setting two compressors and independently compressing gas from each well. The lower operating costs (vs independent compression) resulting from a shared compressor will extend the economic lives of both wells, thus increasing their ultimate recoveries.

A gas allocation meter will be set on the Hartman #1R. The gas meter on the Masden Gas Com #1E will be the central distribution point (CDP) sales meter for both wells. The Hartman #1R gas production will be measured independently by its own gas allocation meter. The Masden Gas Com #1E gas production will be calculated by the difference between the CDP gas sales meter volume and the Hartman #1R gas allocation meter volume. The compressor fuel usage will be divided between the wells. The oil and water production from each well will be kept separate and not surface commingled.

The interest ownership between the two wells is not common. Notification of the proposed surface commingle was sent by certified mail to all working and royalty interest owners in both wells on August 22, 2001. No objections were received within the 20 day waiting period.

The following are enclosed for your review of the proposed surface commingling:

1. Administrative Application Checklist.
2. Well information table.
3. Gas production allocation formula sheet.
4. Battery schematic of proposed installation.
5. Well location plat.
6. Form C-102 Acreage Dedication Plats for both wells.
7. List of interest owners who were notified.

Mr. David Catanach  
September 19, 2001  
Page Two

If you need additional information or have any questions, please contact me at (505) 324-1090.

Sincerely,

A handwritten signature in black ink that reads "Ray Martin". The signature is written in a cursive style with a large, stylized "R" and "M".

Ray Martin  
Operations Engineer

cc: Oil Conservation Division Aztec  
FW Land Dept.  
Well Files

### WELL INFORMATION

	<b>Masden Gas Com #1E</b>	<b>Hartman #1R</b>
Location	1,170' FNL & 1,190' FWL Sec 28, T29N, R11W	1,210' FNL & 660' FWL Sec 28, T29N, R11W
API #	30-045-24003	30-045-30686
Pool	Basin Dakota	Fulcher Kutz Pictured Cliffs
Pool Code	71599	77200
Acreage Dedication	N/2 of Sec. 28	NW/4 of Sec. 28
Lease Type	Fee	Fee
Gas Gravity	0.75	0.65 est.
Gas Rate	100 MCFD	100 MCFD est.

## **Masden Gas Com #1E & Hartman #1R Gas Allocation Formula**

The Masden Gas Com #1E's existing gas sales meter will be used as the central distribution point (CDP) gas sales meter for both wells. A new gas meter was set on the Hartman #1R to be used as its allocation meter. See the attached proposed gas surface commingle installation diagram. The Hartman #1R allocation meter will separately measure its gas production. The Masden Gas Com #1E gas production will be calculated by difference between the total sales volume from the CDP sales meter and the Hartman #1R's allocation meter volume. El Paso Field Service is the gas transporter for these leases.

Masden Gas Com #1E gas production will be calculated as follows:

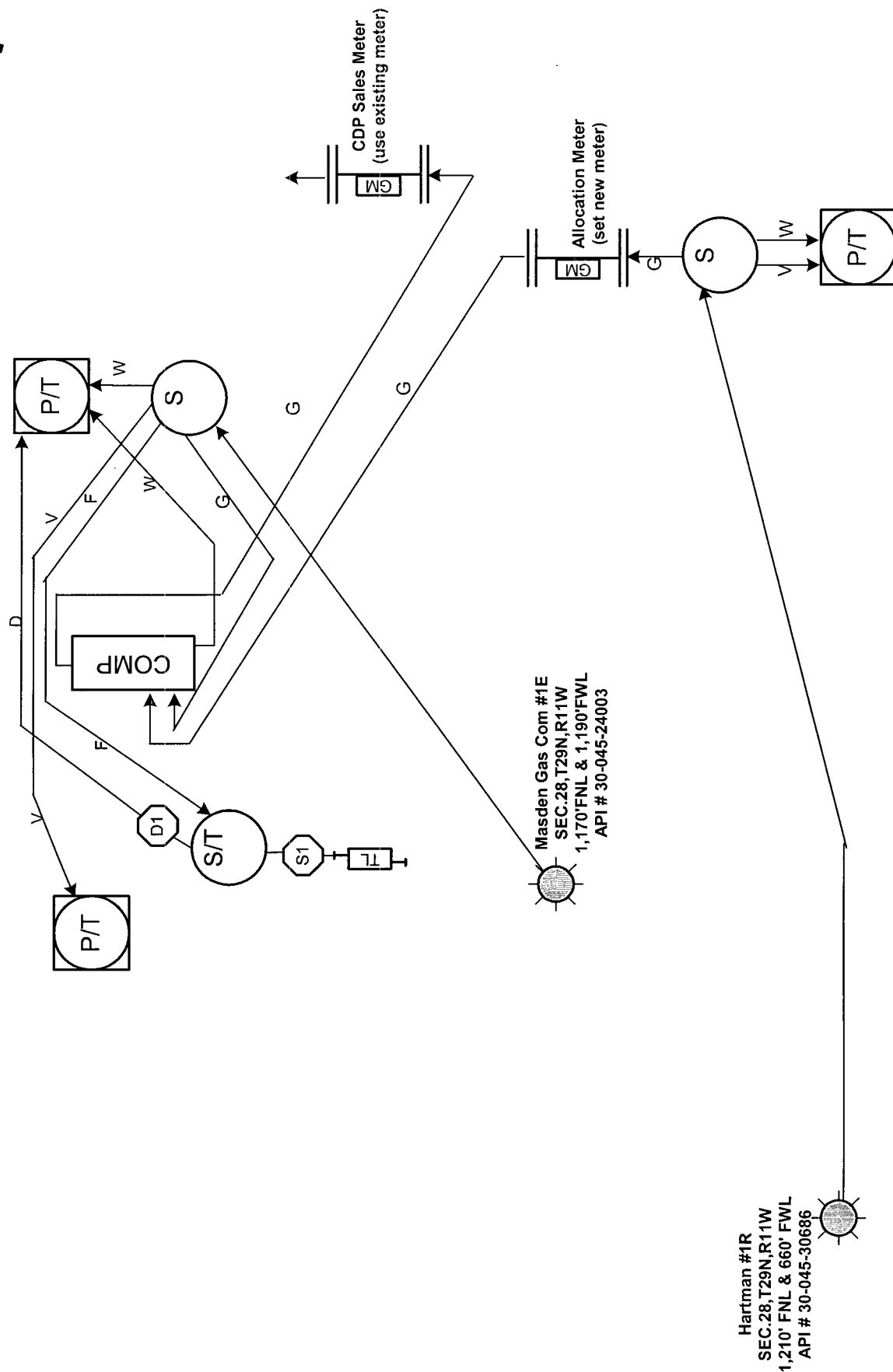
$$\text{Gas Prod.} = [\text{CDP sales meter vol.} - \text{Hartman \#1R allocation meter vol.}] + \text{Allocated compressor \& separator fuel gas vol.}$$

Hartman #1R gas production will be calculated as follows:

$$\text{Gas Prod.} = \text{Hartman \#1R allocation meter vol.} + \text{Allocated compressor \& separator fuel gas vol.}$$

The total fuel gas usage is estimated to be 9 MCFD for the compressor. The compressor's fuel usage will be divided equally between the two wells. During the winter if the well's separator water bath is heated, the fuel gas usage is estimated to be 1 MCFD for the well.

**XTO ENERGY INC.**  
**Lease: Masden Gas Com #1E & Hartman #1R**  
**Proposed Gas Surface Commingling Installation**





DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II  
811 South First, Artesia, N.M. 88210

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

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
gy. Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, NM 87505

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

APR 18 2001

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-30686	<sup>2</sup> Pool Code 77200-71210	<sup>3</sup> Pool Name Fulcher KUTZ ALTEC PICTURED CLIFFS
<sup>4</sup> Property Code 28116	<sup>5</sup> Property Name HARTMAN	<sup>6</sup> Well Number 1R
<sup>7</sup> DGRID No. 167067	<sup>8</sup> Operator Name CROSS TIMBERS OPERATING CO.	<sup>9</sup> Elevation 5402'

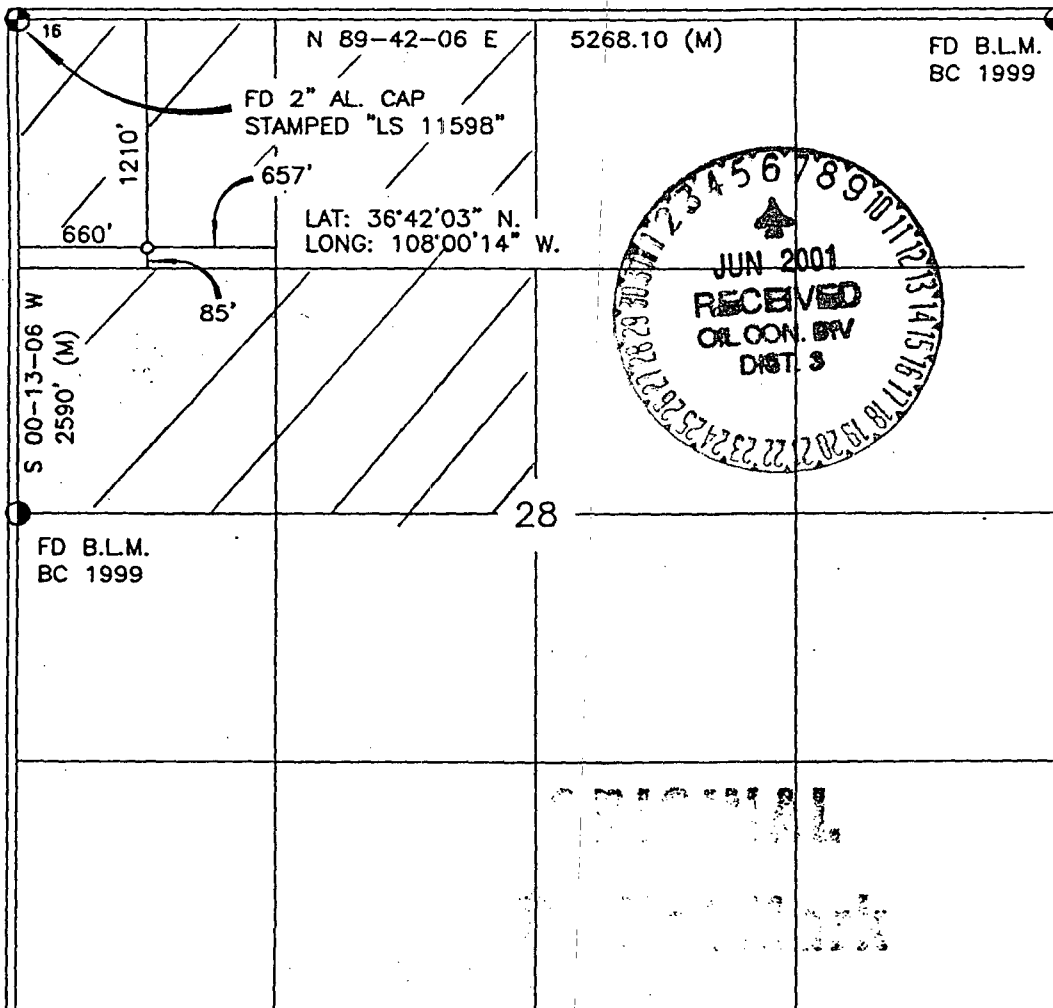
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	28	29-N	11-W		1210'	NORTH	660'	WEST	SAN JUAN

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 160.00 NW/4	<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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



17 17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein  
is true and complete to the best of my knowledge and  
belief

Signature  
JEFFREY W PATTON  
Printed Name  
DRILLING ENGINEER  
Title  
G-4-01  
Date

18 SURVEYOR CERTIFICATION

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

4-66-NEW MEXICO  
Date of Survey  
Signature of Professional Surveyor  
Professional Surveyor  
8894  
Certificate Number



## OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088  
SANTA FE, NEW MEXICO 87501Form C-107  
Revised 10-1-

All distances must be from the corner boundaries of the Section.

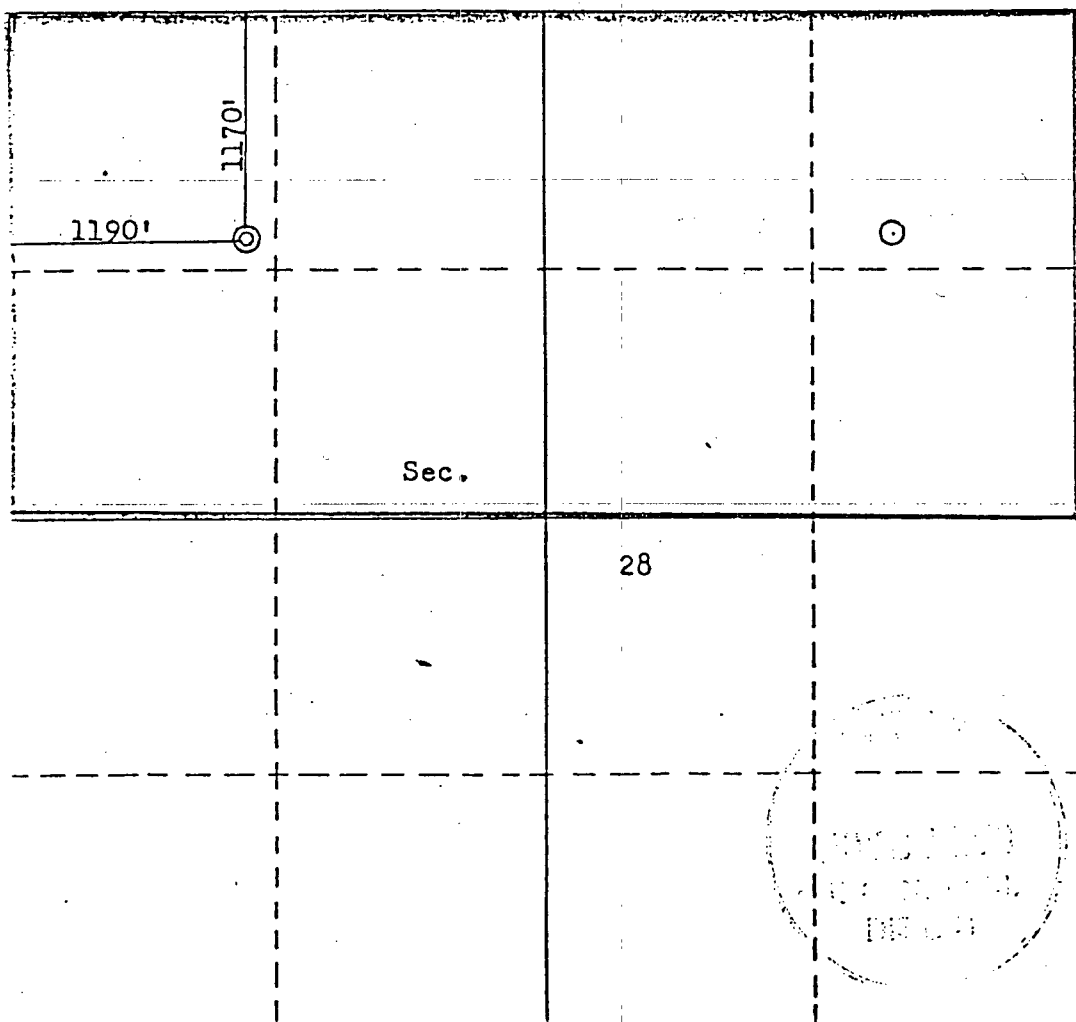
Operator AMOCO PRODUCTION COMPANY			Lease MASDEN GAS COM			Well No. 1-E		
Init Letter D	Section 28	Township 29N	Range 11W	County San Juan				
Actual Footage Location of Well:								
1170		feet from the North		line and 1190		feet from the West		line
Ground Level Elev. 5405	Producing Formation Dakota		Pool Basin Dakota			Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes    ☐ No    If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



## CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*B. E. Fackrell*

Name

B. E. FACKRELL

Position

DISTRICT ENGINEER

Company

AMOCO PRODUCTION COMPANY

Date

NOVEMBER 20, 1979

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 knowledge and belief.

Date Surveyed

October 31, 1979

Registered Professional Engineer and/or Land Surveyor N.C.

*Fred A. Barr Jr.*  
Fred A. Barr Jr.  
Certificate No. 3950

REGISTERED LAND SURVEYOR  
FRED A. BARR, JR.  
N.C. 3950

Surface commingle Hartman #1R and Masden Gas Com #1E	
OWNER NAME/ADDRESS	INTEREST TYPE
SYLVIA LITTLE PO BOX 1258 FARMINGTON, NM 87499-1258	R
T C MORAN AND CO PARTNERSHIP 3415 S RACE ST ENGLEWOOD, CO 80110-3137	R
HARRIS FAMILY TRUST GEORGE AND MARY HARRIS TRUSTEES ACCT #161100000 C/O ARIZONE ST SAVINGS & C U 280 W MAIN ST. SAFFORD, AZ 85546-2349	R
F L AND EVA LEE LIVING TRUST EVA LEE TRUSTEE U/A DTD DECEMBER 9, 1986 PO BOX 544 FARMINGTON, NM 87499-0544	R
T H C COMPANY, A PARTNERSHIP 475 17TH ST STE 980 DENVER, CO 80202	R
CHRISTMANN MINERAL COMPANY A TEXAS CORPORATION PO BOX 66 PINEDALE, WY 82941-0066	R
HERD PARTNERS, LTD. PO BOX 130 MIDLAND, TX 79702	R
JERRY D & SUE H WINGET REVOCABLE TRUST, JERRY D & SUE H WINGET TRUSTEES NORTHERN TRUST BANK OF ARIZONA ACCT# 1611705223 RT# 122105210 1525 SOUTH GREENFIELD ROAD MESA, AZ 85206-3301	R
ERNEST JAMES SATEGNA JR PO BOX 441 BLOOMFIELD, NM 87413-0441	R
JOHN L SATEGNA 1296 ABERFORD DR SAN JOSE, CA 95131-2801	R
PHILLIP SATEGNA 600 N NEWBY LN BLOOMFIELD, NM 87413-6752	R
THOMAS G SATEGNA 9612 CANDLE LN NE ALBUQUERQUE, NM 87111-1611	R

EARL LEROY DANIELS ESTATE	R
664 - 39 RD	
PALISADE, CO 81526-9312	
ERNEST E HARRIS & LAURA HARRIS, JTS/WROS	R
PO BOX 713	
SHOW LOW, AZ 85901-0713	
DELBERT F HARRIS & MARGARET P HARRIS, JTS/WROS	R
RT 2 BOX 753	
SAFFORD, AZ 85546-9725	
MOLLY E BRAMLETTE	R
710 CRESTVIEW DR	
FARMINGTON, NM 87401-9107	
ADA K WOOD	R
RFD 3 BOX 205-1	
CHICKASHA, OK 73018-9803	
KELLER FARMS INCORPORATED	R
4507 ATLANTIC ST	
FARMINGTON, NM 87402-0000	
CHARLES M WILCOX LIVING TRUST	R
CHARLES M WILCOX, TRUSTEE	
U/A DATED MARCH 31, 1980	
3809-A MIORI LN	
VICTORIA, TX 77901-3694	
FERRARI TRUST, RUDY P AND ALBINA	R
G FERRARI, TRUSTEES	
PO BOX 104	
BLOOMFIELD, NM 87413-0104	
JACK MARKHAM	R
FIRST NATIONAL PIONEER BLDG.	
1500 BROADWAY, SUITE 1212	
LUBBOCK, TX 79401-0000	
DONALD L MANGUM	R
PO BOX 188	
PANGUITCH, UT 84759-0188	
JACK D THORNTON ESTATE	R
EULA V THORNTON & FORREST	
WAYNE THORNTON, IND CO-EXECS	
PO BOX 8734	
MIDLAND, TX 79708-1734	
JOE B JR & DOROTHY NELL TIPTON	R
JOINT TENANTS	
PO BOX 1081	
MENARD, TX 76859-1081	
OLIVER HARRIS	R
9 RD 5821	
FARMINGTON, NM 87401-9526	

MARIA RAIMONDO SCALA	R
BALDISSERO CANAVESE	
PRAMONICO, TO 10080	
ITALY, . 00000-0000	
GAIL ANN SEYMON MYERS	R
3218 CHABLIS COURT	
PLEASANTON, CA 94566-7733	
KATHRYN V SCHRECK TRUSTEE	R
UTA DATED 11/13/89	
PO BOX 1563	
AZTEC, NM 87410-4563	
FLORENCE PALMER TUTTLE	R
1629 ROENE WOOD CIR	
TAYLORSVILLE, UT 84123-0000	
BURLINGTON RESOURCES OIL & GAS COMPANY	W,O
PO BOX 840656	
DALLAS, TX 75284-0656	
JOHN D CAIN, JR.	O
404 PROSPECTORS POINT	
GRAND JUNCTION, CO 81503-1500	
JAMES P CAIN	O
2519 WEST LAUREL	
FT COLLINS, CO 80521-3105	
CHARLES B CAIN	O
2197 W 23RD AVE	
APACHE JUNCTION, AZ 85220-6842	
PAULA RACHEL KAUFMAN	R
% DEVA FOUNDATION	
PO BOX 309	
GLORIETA, NM 87535	
JAMES M RICHARDSON	R
PO BOX 1625	
CARNGLIAN BAY, CA 96140-1625	
ELIZABETH HARRIS FAMILY TRUST	R
ARNOLD MELVIN HARRIS TRUSTEE	
16297 MIDWAY RD	
NAMPA, ID 83651	
HUGH J MITCHELL TRUST B	O
RAIMONDA MITCHELL, TRUSTEE	
P O BOX 1109	
FARMINGTON, NM 87499-1109	
LAFA, LLC	R
ROBERT E LAUTH, II, MANAGER	
P O BOX 1750	
DURANGO, CO 81302-1750	
JOSIE FLORIDA SANDOVAL	R
1014 KATHY LYNN	
BLOOMFIELD, NM 87413	

THERESA R. KAMPLAIN	R
PO BOX 36484	
ALBUQUERQUE, NM 87176-6484	
BARBARA M. GONZALES	R
4632 ROCKAWAY LOOP NE	
RIO RANCHO, NM 87124	
DAVID L. SANDOVAL	R
1014 KATHY LYNN	
BLOOMFIELD, NM 87413	
PETROQUEST, INC.	R
PO BOX 2217	
FARMINGTON, NM 87499	
ESTHER SANDOVAL	R
1104 WEST MAPLE	
BLOOMFIELD, NM 87413	
PROVIDENCE MINERALS, LLC	R
14860 MONFORT DR, STE 209	
DALLAS, TX 75240	
RIO ARRIBA INVESTMENTS, LLC	
C/O XTO ENERGY INC.	
810 HOUSTON STREET	
FORT WORTH, TX 76102	