| • | | | PTI-OU |
|---------|-----------------------------|--|---|
| DATE IN | 8-11 | SUSPENS | E ENGINEER DKB LOGGED IN 2.8. 11 TYPE NSL APP NO/103942346 |
| | | | ABOVE THIS LINE FOR DIVISION USE ONLY XTO 5382 |
| | | | ABOVE THIS LINE FOR DIVISION USE ONLY NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau - 1220 South St. Francis Drive, Santa Fe, NM 87505 X TO 5-362 Fulleton Fad 27 · 1/ # 1 6345 |
| | | | ADMINISTRATIVE APPLICATION CHECKLIST 30-045-30854 |
| | cation Ac [NSL-Na [DH | ronyms on-Stan C-Down [PC-Poo | ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE addard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] whole Commingling] [CTB-Lease Commingling] [PLC-PoollLease Commingling] of Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] ified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] |
| [1] | ТҮРЕ (| OF AP | PLICATION - Check Those Which Apply for [A] |
| | | [A] | Location - Spacing Unit - Simultaneous Dedication |
| | | Check [B] | One Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM |
| | | [C] | Injection - Disposal - Pressure Increase - Enhanced Oil Recovery |
| | | [D] | Other: Specify |
| [2] | NOTIF | ICATI [A] | ON REQUIRED TO: - Check Those Which Apply, or Does Not Apply 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] | | | CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE TION INDICATED ABOVE. |

1

[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.

| RYAN D'Kelley | RUAFDIN | SR. LANDMAN | 2/1/2011 |
|--------------------|-----------|-------------------------------------|----------------|
| Print or Type Name | Signature | Title | Date |
| | · | EYAN_ OKELLEY EXT e-mail Address | TO ENERCY. COM |



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RECEIVED OCD

2011 FEB -8 A 11: 19

FEDERAL EXPRESS

Mr. David Brooks 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 Fullerton Federal 27-11 No. 1 1,640' FSL and 1,000' FEL, Section 11, T27N, R11W San Juan County, New Mexico Gallup Formation

Dear Mr. Brooks:

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. Well location plat (NMOCD Form C-102)
- 2. Gallup Ownership Map
- 3. Gallup Production Map

The above captioned well was drilled and completed in February of 2002 as an S/2, 320 acre Dakota unit. XTO would now like to move uphole in the existing wellbore and recomplete the well to the Gallup formation. The South-Kutz Gallup Pool rules state that a well should be located within 150 feet of the center of a governmental quarterquarter section. Therefore the existing location will not conform to the current footage requirements and is encroaching on the S/2SE/4 80-acre unit. A new well would not be economically feasible to drill for the Gallup formation alone. The existing wellbore is in acceptable condition for the recompletion attempt. By moving uphole to the Gallup formation, XTO would be able to minimize environmental impact while obtaining additional production.

According to our records, XTO owns 100% of the operating rights in the Gallup formation in the entire S/2 of Section 11, T27N, R11W, therefore no offset owner notice is required. Taking this into account, in addition to the statements made above, XTO requests your administrative approval for the unorthodox location. Should you need any additional information, please feel free to contact me at (817) 885-3091.

Mr. David Brooks New Mexico Oil Conservation Division Fullerton Federal 27-11 No. 1 - Gallup February 7, 2011 Page Two

Yours truly,

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PLAT Ryan O'Kelley

Sr. Landman

Enclosures

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 IY 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 October 12, 2005 Submit to Appropriate District Office Fee Lease - 3 Copies State Lease - 4 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| אי | r | | ² Pool Code | | | ³ Pool Name | | | | | | | |
|---------------------------------------|------------------------|------------------------|---|-----------------------|-----------------------|------------------------|------------------------------|---|---|--|--|--|--|
| 30- | 354 | | 36550 | | | | S. KUTZ GA | S. KUTZ GALLUP | | | | | |
| ⁴ Property Code 22596 | | | ⁵ Property Name FULLERTON FEDERAL 27-11 | | | | | | ⁶ Well Numb #1 | | | | |
| 70GRID N | | | | or Name | | | | ⁹ Elevation | | | | | |
| 5380 | | | XTO Energy. Inc. | | | | | | | 6003' | | | |
| | | | | | ¹⁰ Surface | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | | | | Feet from the 1000' | | | | | |
| · · · · · · · · · · · · · · · · · · · | 11 | 27N | 11W | | | | SOUTH f Different From Su | | EAST SA | | SAN JUAN | | |
| UL or lot no. | Section | Township | | | Feet from the | | | Surface Feet from the | FeetAVe | | Country | | |
| SAME | Section | Township | Range | Lot Idn | | NO | rth/South line | reet from the | East/Wes | stine | County | | |
| ¹² Dedicated Acres | ¹³ Joint or | r Infill ¹⁴ | Consolidation | Code ¹⁵ Or | der No. | | | | | | | | |
| GP 80 ac | | | | | | | | | | | | | |
| NO ALLOW | ABLE W | ILL BE AS | | | MPLETION U | | | | EN CONSC | DLIDAT | TED OR A NON- | | |
| | | | | 14 | | | | I hereby certify the complete to the be organization eithe interest in the land a right to drift this owner of such a m agreement or a co division. Signature J.L.M. Printed Na TEEN. Title | at the information st of my knowled rowns a working l including the pr well at this local ineral or works mpulsory pooling Manager A. M. WH JLATORY | n containea lge & belief generest on raposed boo dion pursua g interest. a g order her | and that this unleased mineral tion hole location or has int to a contract with an or to a voluntary pooling etofore entered by the Miting | | |
| | | | | | S. KUTZ | Z GALLUP | | I hereby ce on this pla actual surv supervision | ¹⁹ 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 & correct to the best of my belief. | | | | |
| | | | | | | | | 6/23/198 Date of St | urvey | <u>.</u> | | | |
| | | | | | | 1640' | | Original Survey S | | Survey Sig | gned By: | | |
| | | | | | | | | John A. Vuk | | ch | | | |
| | | | | | | | | 14831 | | | | | |
| | | | | | | | | | Certificate Number | | | | |



SECTION PLAT OF 9 SQUARE MILES

| STATE: | New Mexico | | COUNTY: | | San Juan | |
|----------------------|------------------|-------------|---------------|----|-------------------------------|----|
| PROSPECT: | Fullerton Federa | 27-11 No. 1 | · | | DATE: February 7, 2011 | |
| SECTION: | 11 | TOWNSHIP: | 27 North | | RANGE: 11 West | |
| - SCALE: 1'=2000' | | _ | | | | |
| 3CALL. 1 -2000 | | | | | T | |
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| | | | | | Location: | 7 |
| | | XTO I | 00% WI Gallup | | 1,640' FSL & 1,000' FEL | |
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