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|--------------------|----------|-------------|-------------------|----------|--------------------|
| 3-17-11 DATE IN | SUSPENSE | ENGINEER DB | LOGGED IN 3/18/11 | TYPE NSL | APP NO. 1107755959 |
|--------------------|----------|-------------|-------------------|----------|--------------------|

FTGW

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



XTO 5380
Bolack C #13B
6365

ADMINISTRATIVE APPLICATION CHECKLIST 30-045-31154

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

ST

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.

Ryan O'Kelley

Print or Type Name

Signature

St. Landman

Title

Date

Ryan-O'Kelley@XTOenergy.com

e-mail Address



March 16, 2011

RECEIVED OCD

2011 MAR 17 A 11:51

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 Bolack C No. 13B
2,170' FNL and 1,670' FWL, Section 29, T27N, R8W
San Juan County, New Mexico
Pictured Cliffs 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:

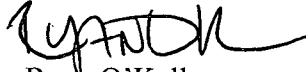
1. Well location plat (NMOCD Form C-102)
2. Pictured Cliffs Ownership Map
3. Pictured Cliffs Production Map

The above captioned well was drilled and completed in August of 2002 as a W/2, 320 acre Mesaverde unit, and NW/4, 160 acre Chacra unit. XTO would now like to move uphole again in the existing wellbore and recomple the well to the Pictured Cliffs formation. The rules state that a well should be located no closer than 660' to the outer boundary of the 160-acre unit. Therefore the existing location will not conform to the current footage requirements and is encroaching on the SW/4 160-acre unit. A new well would not be economically feasible to drill for the Pictured Cliffs formation alone. The existing wellbore is in acceptable condition for the recompletion attempt. By moving uphole to the Pictured Cliffs formation, XTO would be able to minimize environmental impact while obtaining additional production.

XTO owns 100% of the offsetting operating rights in the Pictured Cliffs Formation in the SW/4 160-acre unit; 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
Bolack C No. 13B - PC
March 16, 2011
Page Two

Yours truly,

A handwritten signature in black ink, appearing to read "Ryan O'Kelley". The signature is stylized with a large, looped "R" and a long, sweeping horizontal line extending to the right.

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|--|--|
| ¹ API Number 30-045-31154 | ² Pool Code 72439 | ³ Pool Name SOUTH BLANCO PICTURED CLIFFS |
| ⁴ Property Code 28096 | ⁵ Property Name BOLACK C | ⁶ Well Number #13B |
| ⁷ GRID No. 5380 | ⁸ Operator Name XTO Energy, Inc. | ⁹ Elevation 6753' |

¹⁰ Surface Location

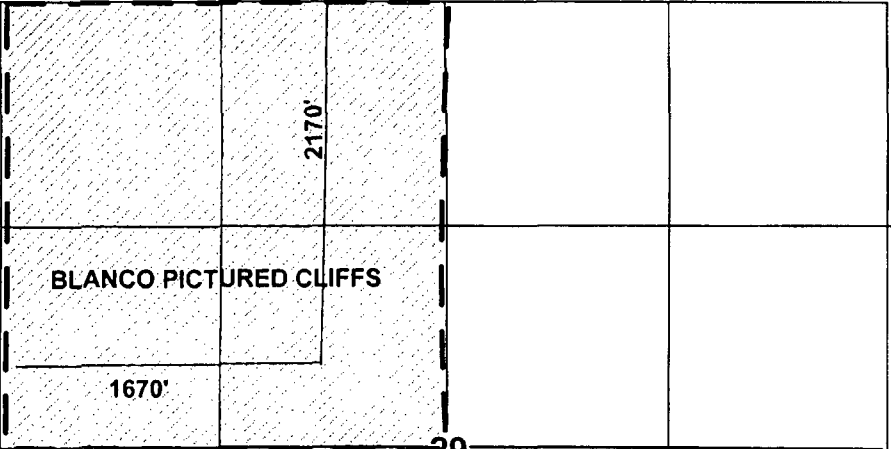
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| F | 29 | 27N | 8W | | 2170' | NORTH | 1670' | WEST | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| SAME | | | | | | | | | |

| | | | |
|--|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres PC 160 AC | 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

| | |
|--|---|
|  | <p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true & complete to the best of my knowledge & belief and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature <i>Teena M. Whiting</i> Printed Name TEENA M. WHITING</p> <p>Title REGULATORY COMP TECH</p> <p>Date 3/16/2011</p> |
| | <p>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 & correct to the best of my belief.</p> <p>6/23/1984 Date of Survey Original Survey Signed By: <i>John A. Vukonich</i></p> <p>14831 Certificate Number</p> |



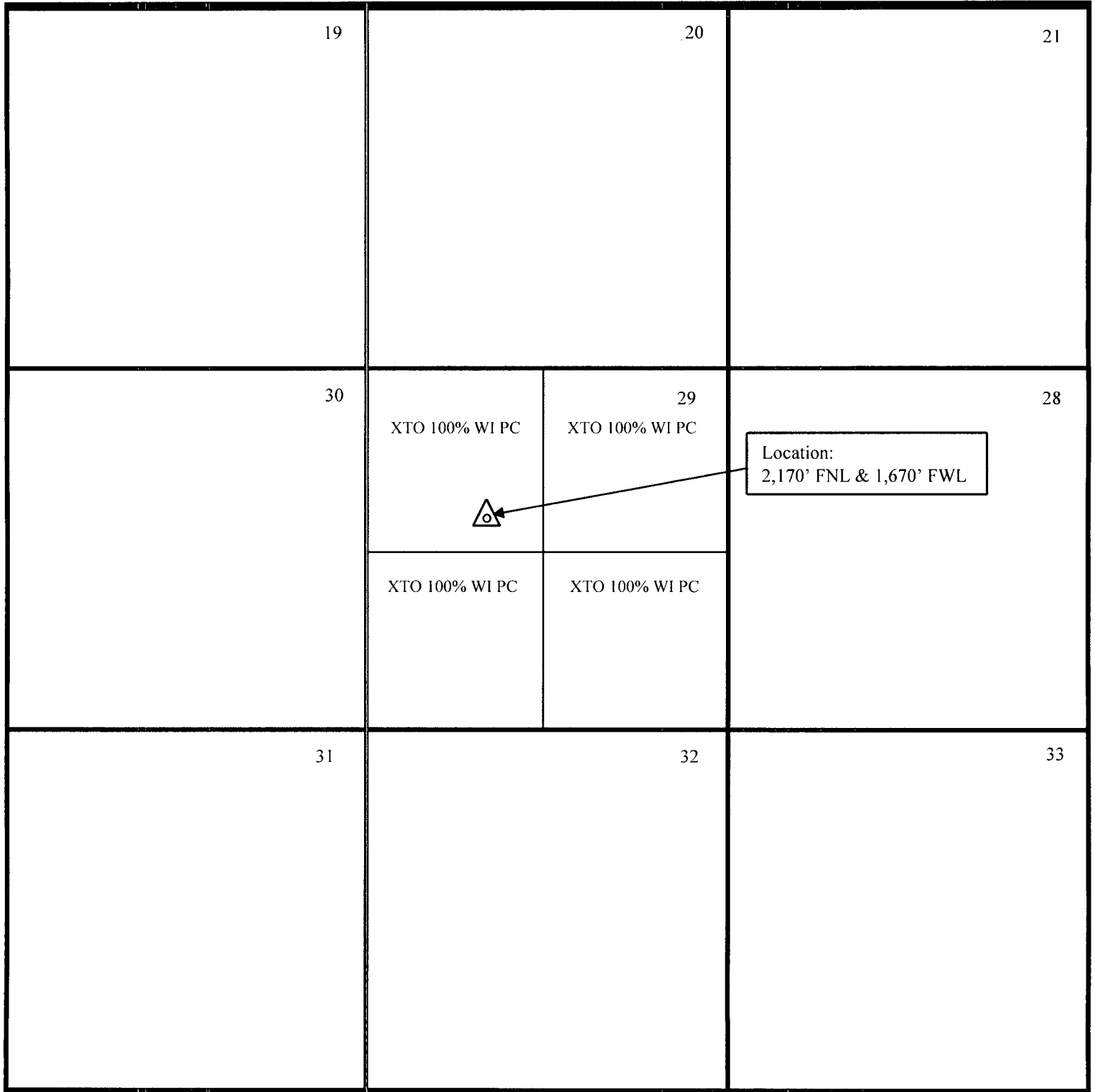
SECTION PLAT OF 9 SQUARE MILES

STATE: New Mexico COUNTY: San Juan

PROSPECT: Bolack C No. 13B DATE: March 14, 2011

SECTION: 29 TOWNSHIP: 27 North RANGE: 8 West

SCALE: 1'=2000'





San Juan Basin

SEC 29 T2N R08W

Cumulative Prod thru 11/2010

Rio Arriba County, New Mexico



POSTED WELL DATA

Operator
Well Label
P&CUM - CLAMOR M&BLS
P&CUM - LAST OIL B&B
P&CUM - CLAMOR M&BLS
P&CUM - LAST GAS, M&BLS
P&CUM - FROM DATE TO DATE
P&CUM - FROM DATE TO DATE
P&CUM - COMPACTED WELL LOG PROD
P&CUM - GAS EUR, M&BLS

ATTRIBUTE MAP



SYMBOL HIGHLIGHT

BOOKED FRUITLAND COAL RESERVES
BOOKED PICTURED CLIFFS RESERVES
BOOKED CHACRA RESERVES
BOOKED MESAVERDE RESERVES
BOOKED GALLUP RESERVES
BOOKED DAKOTA RESERVES
BOOKED PARADOX RESERVES
SERVICE/INJECTION WELLS

REMARKS

March 14, 2011

