

XTO ENERGY INC.

EXHIBIT BOOK

**New Mexico Oil Conservation Division
Cases 14395
Examiner's Hearing
December 3, 2009**

San Juan Basin, NM

Case #14395

Farmington

Bloomfield

South Blanco
Tocito Pool



San Juan Basin, New Mexico

Tocito Sand Case #14395

Regional Map



By: John Klutsch
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Proposal

- XTO requests:
 - Contract the South Blanco-Tocito Pool and its special rules and regulations to the acreage within the Rincon Unit
 - Expand the Basin-Mancos Gas Pool to include all acreage currently within the South Blanco-Tocito Pool except for that acreage within the Rincon Unit
 - Permit downhole commingling of production from the newly described South Blanco-Tocito Pool, now Basin-Mancos Gas Pool, with production from the Basin-Dakota Pool

Background

- The South Blanco-Tocito Pool (formerly Pettigrew-Tocito Pool) was established in 1952
- Special Rules and Regulations were adopted for the pool
 - All wells completed in pool must be on an 80 acre tract
 - All wells completed in pool must be located in the center of the northwest quarter or the southeast quarter of a governmental quarter section, with a tolerance of 100 feet in any direction
- There are currently three operators in the pool: XTO Energy Inc, Burlington Resources Oil and Gas Company LP, and Chevron Mid-continent LP, ^{ENERGEN}
- XTO plans to drill or re-complete an additional 51 wells in the pool

Background

- All of XTO's planned wellbores will be drilled as gas wells targeting the Basin-Dakota Gas Pool with the South Blanco-Tocito Pool added as a secondary target
- These future wellbores will be downhole commingled with production from the South Blanco-Tocito Pool and the Basin-Dakota Pool