

RECEIVED: 2/07/2019	REVIEWER: MAM	TYPE: DHC	APP NO: PMAM19032-24257
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NEW MEXICO OIL CONSERVATION DIVISION
- Geological & Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

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

Applicant: Hilcorp Energy Company	OGRID Number: 372171
Well Name: Scott E Federal Com 15R	API: 30-045-34404
Pool: West Kutz Pictured Cliffs	Pool Code: 79680

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

DHC - 4937

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. ☐ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

- 3) **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.

Christine Brock
 Print or Type Name

2/11/19
 Date

505-324-5155
 Phone Number

Christine Brock
 Signature

cbrock@hilcorp.com
 e-mail Address

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

District II
811 S. First St., 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

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

Form C-107A
Revised August 1, 2011

APPLICATION TYPE
☐ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company 382 Road 3100, Aztec NM 87410
Operator Address
Scott E Federal Com 15R UL K (NESW) - Sec. 36, T27N, R11W San Juan
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 372171 Property Code 321960 API No. 30-045-34404 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	WEST KUTZ PC (GAS)	BASIN MANCOS	BASIN DAKOTA (PRORATED GAS)
Pool Code	79680	97232	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2029' - 2117' - Estimated	5654' - 6053'	6511' - 6626'
Method of Production (Flowing or Artificial Lift)	NEW ZONE	ARTIFICIAL LIFT	ARTIFICIAL LIFT
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)	542 psi	646 psi	870 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1078	BTU 1259	BTU 1259
Producing, Shut-In or New Zone	NEW ZONE	PRODUCING	PRODUCING
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: Rates:	Date: 11/30/2018 Rates: 185 MCF - GAS 12 BBL - OIL 0 BBL - WATER	Date: 11/30/2018 Rates: 1235 MCF - GAS 2 BBL - OIL 0 BBL - WATER
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 Will be supplied upon completion	Oil Gas Will be supplied upon completion	Oil Gas Will be supplied upon completion

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☐ No ☒
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? 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: _____

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 Christine Brock TITLE Operation/Regulatory Tech DATE 2/1/19

TYPE OR PRINT NAME Christine Brock TELEPHONE NO. (505) 324-5155

E-MAIL ADDRESS cbrock@hilcorp.com

DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1304 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1008 Pile Blasco Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South 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
Bureau of Land Management
Farmington Field Office

RECEIVED

AUG 22 2007

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34404	² Pool Code 71599	³ Pool Name Basin Dakota
⁴ Property Code 32620	⁵ Property Name SCOTT E FEDERAL COM	⁶ Well Number 15R
⁷ ORD No. 5380	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6494'

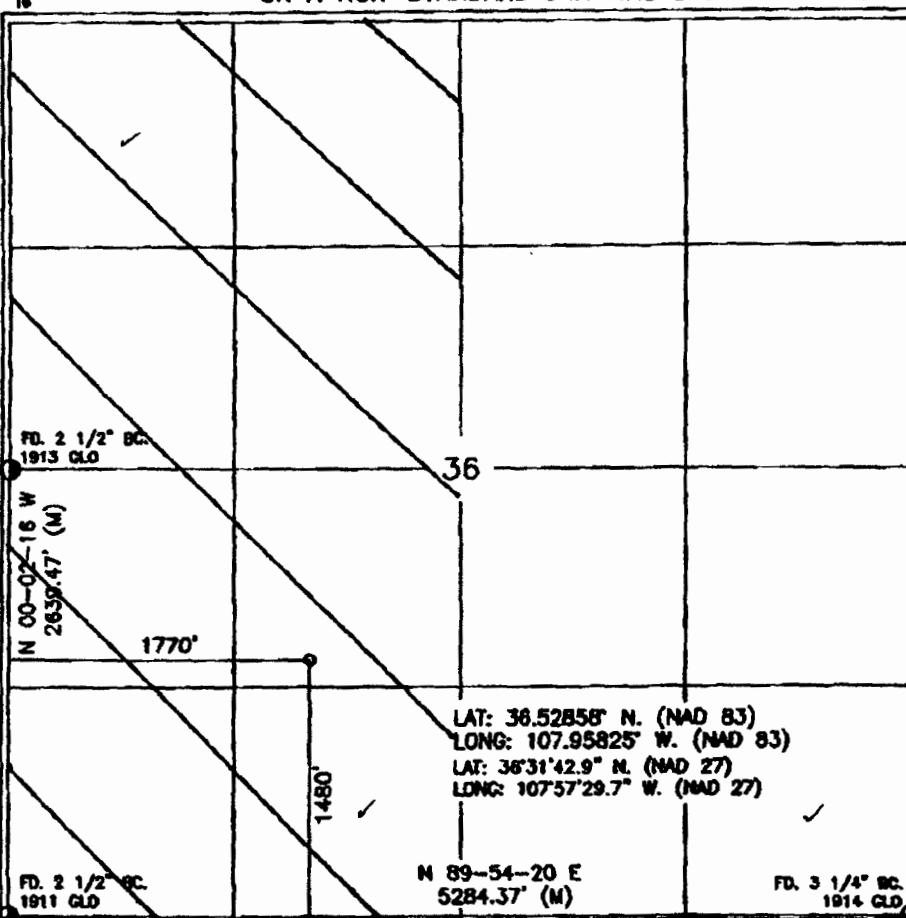
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
K	36	27-N	11-W		1480	SOUTH	1770	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres w/2 320			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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or an undivided 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.

[Signature]
Date
Printed Name

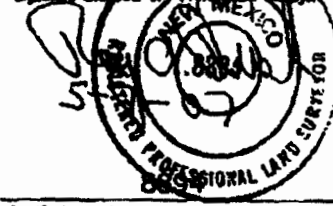
¹⁸ SURVEYOR CERTIFICATION

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.

JANUARY 23, 2007

Date of Survey

Signature and Seal of



Certificate Number

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

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87490

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Bureau of Land Management
Farmington Field Office

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-34404		*Pool Code 97232	*Pool Name Basin Manchas
*Property Code	*Property Name SCOTT E FEDERAL COM		*Well Number 15R
*OGND No. 5380	*Operator Name XTO ENERGY INC.		*Elevation 6494'

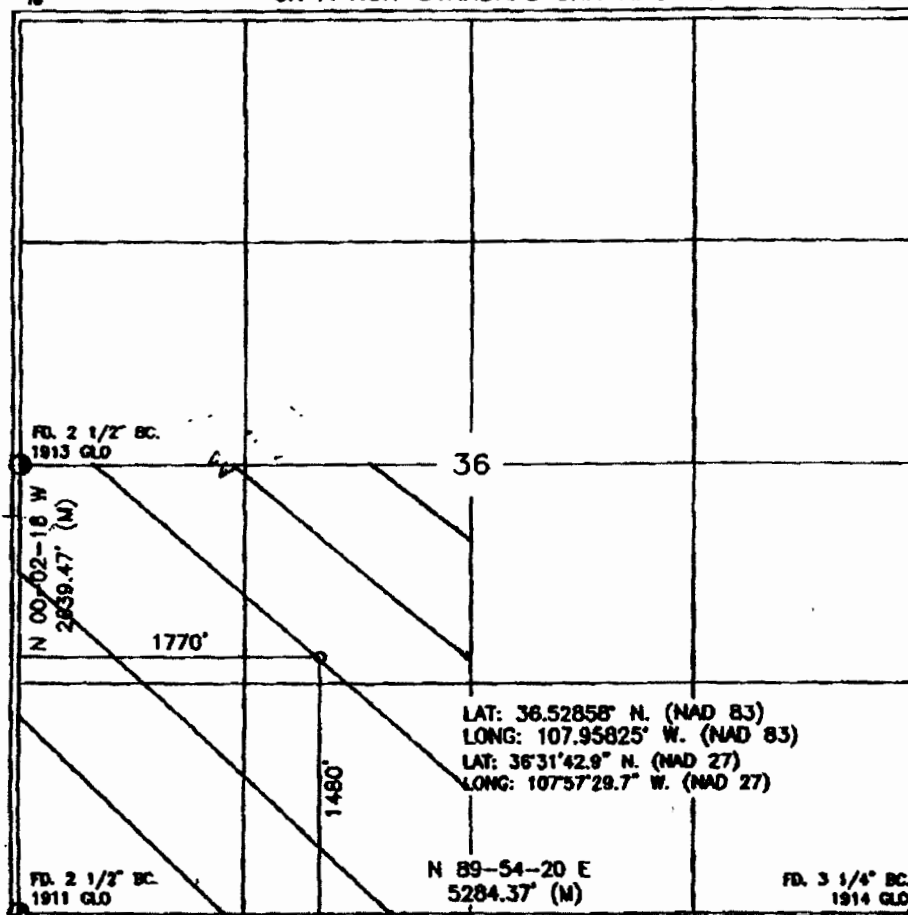
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	36	27-N	11-W		1480	SOUTH	1770	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
*Dedicated Acres SW1/4 1600					*Joint or in/pt		*Consolidation Code		*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 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided 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.

[Signature] 6/10/07
Date
H Small
Printed Name

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.

JANUARY 23, 2007

Date of Survey

Signature and Seal of

Surveyor

5

Professional Land Surveyor

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District I1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720**District II**811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720**District III**1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170**District IV**1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
August 1, 2011

Permit 262458

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34404	2. Pool Code 79680	3. Pool Name KUTZ PICTURED CLIFFS, WEST (GAS)
4. Property Code 321960	5. Property Name SCOTT E FEDERAL COM	6. Well No. 015R
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6494

10. Surface Location

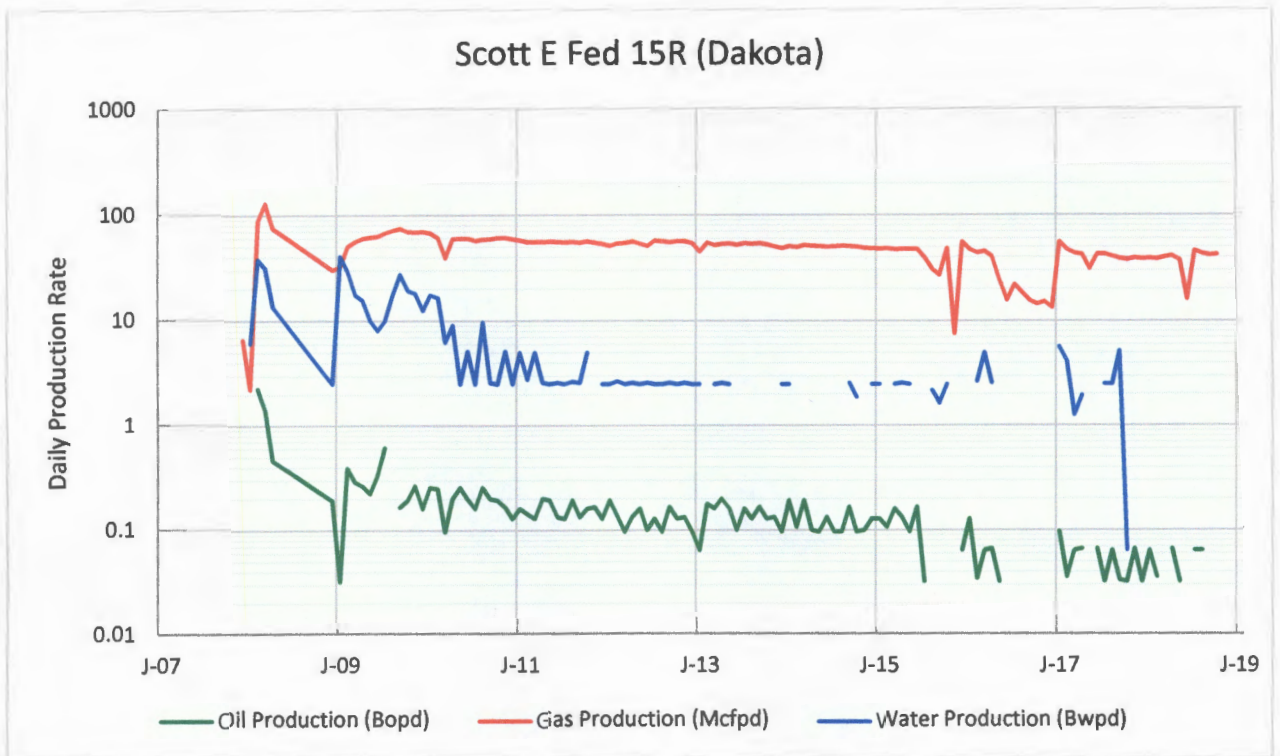
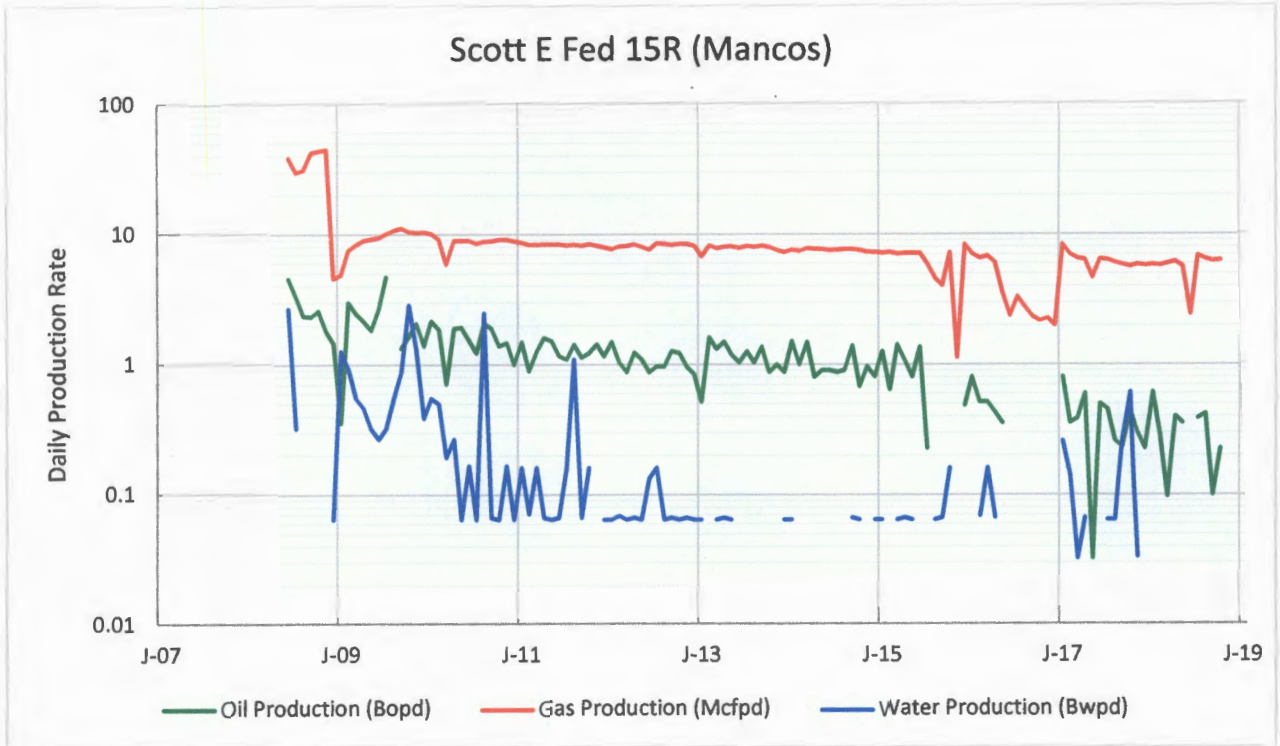
UL - Lot K	Section 36	Township 27N	Range 11W	Lot Idn	Feet From 1480	N/S Line S	Feet From 1770	E/W Line W	County SAN JUAN
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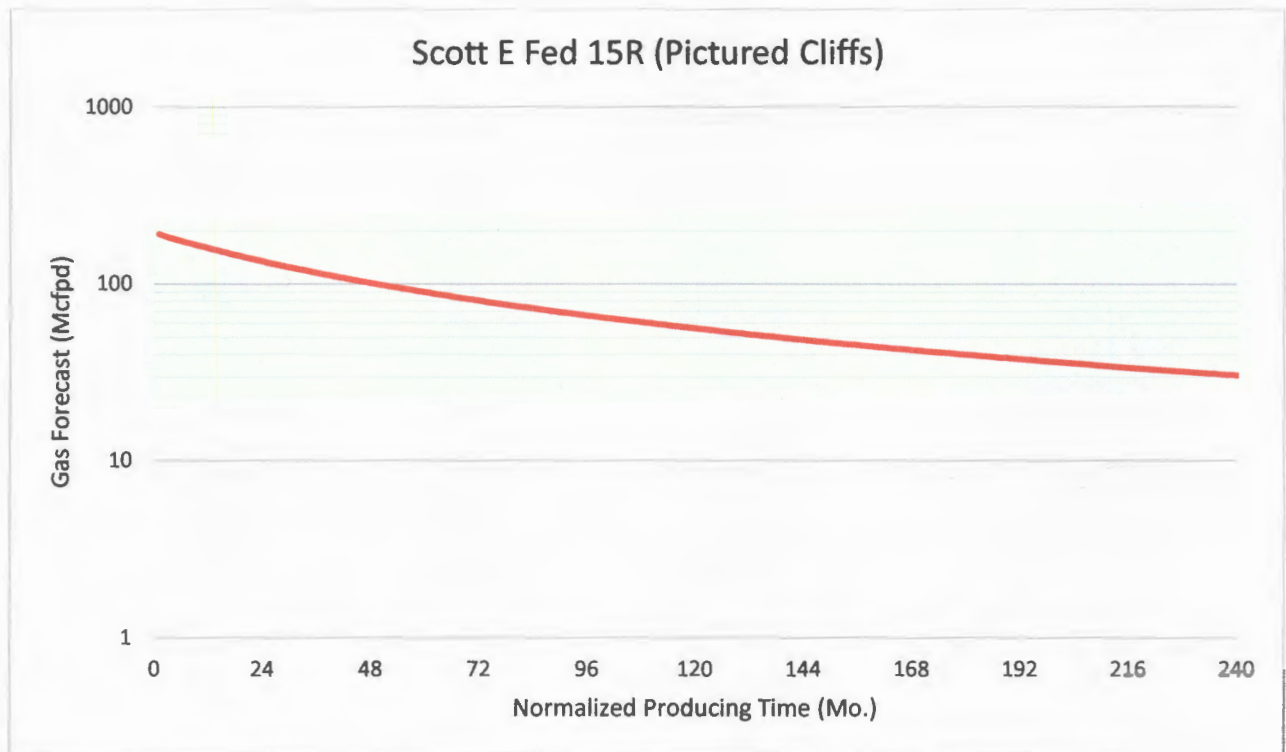
11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 160.00 SW/4	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

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) 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. E-Signed By: <i>Christine Brock</i> Title: Operation/Regulatory Tech Sr. Date: 1/17/2019		
	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. Surveyed By: Roy A. Rush Date of Survey: 1/23/2007 Certificate Number: 8894		





The forecast for Pictured Cliffs production has been generated using a type curve of PC gas production in the surrounding production trend.

These zones are proposed to be commingled because the application of dual completions impedes the ability to produce the shallow zone without artificial lift and the deeper zones with reduced artificial lift efficiency. All horizons will require artificial lift due to low bottomhole pressure (BHP) and permeability.

To obtain the BHP of existing completions, the well was shut-in for 24 hours and a casing fluid level and casing pressure were obtained to estimate SIBHP. This pressure is not intended to represent static reservoir pressure but rather BHP observed within the stated wellbore. The low BHP of the deeper zones does not allow for any adverse effects to the shallow zones. The low inflow and artificial lift application does not represent a risk of cross-flow from the new, shallow completion to the deeper zones.

Scott E Federal Com 15R – Production Allocation Method

Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formations are the Dakota and Mancos. The added formation to be commingled is the Pictured Cliffs. The subtraction method applies an average monthly production forecast to the base formations using historic production. All production from this well exceeding the forecast will be allocated to the new formation. After 3 years production will stabilize. A production average will be gathered during the 4th year and will be utilized to create a fixed percentage based allocation. Oil production will be allocated based on average formation yields from offset wells. All documentation will be submitted to the Aztec NMOCD office.



January 31, 2019

Subject well: Scott E Federal Com 15R
API # 30-045-34404
San Juan County, New Mexico

In the subject well, Hilcorp plans to downhole commingle existing pay from the Basin Dakota and Basin Mancos formations with potential pay from the West Kutz-Pictured Cliffs formation. As required by Subsection C of 19.15.12.11 New Mexico Administrative Code, we have enclosed a copy of the Commingling Application for your review. No action is required by you unless you object our commingling proposal.

If you do object, you will need to send notice to Hilcorp Energy Company, Attn: San Juan Basin Land Manager, 1111 Travis, Houston, TX 77002 within twenty (20) days from the date of this letter. Again, if you do not object to Hilcorp's downhole commingling plans, you **do not need** to sign or return any paperwork.

This letter represents a good faith effort to adhere with applicable notification requirements. However, if your ownership interest in the Subject Well has recently changed (i.e., new burdens created or you have sold or transferred your interest) please contact Hilcorp immediately to update your file.

Hilcorp appreciates this opportunity to enhance production from the Subject Well and we are thankful for your support.

Regards,

Christine Brock

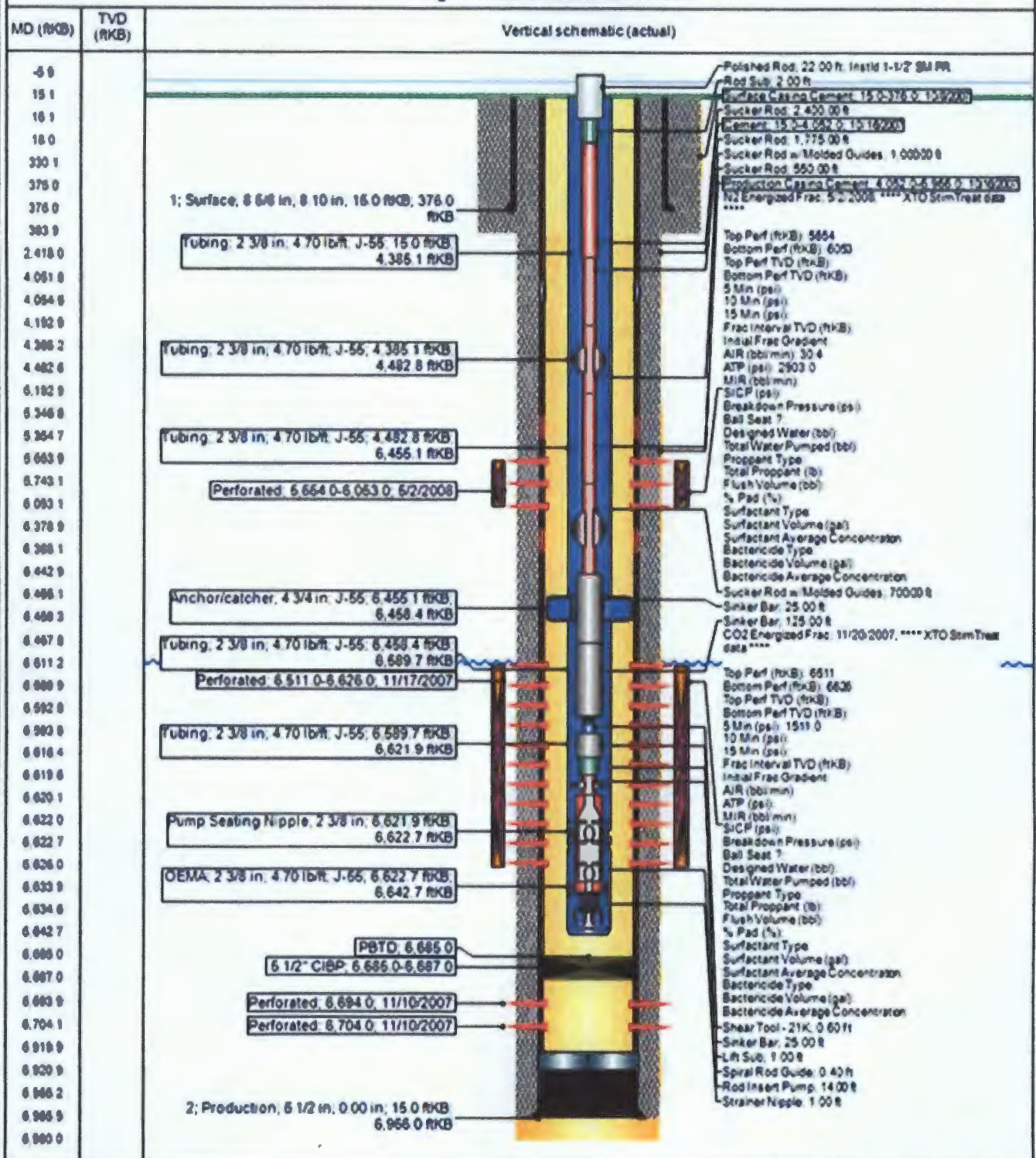
Operations/Regulatory Technician
Hilcorp Energy Company
505-324-5155
Encl.

Certified Number	Sender	Recipient	Date Mailed	Delivery Status
92148969009997901770102557	Brenda Guzman	, BETTY L CORBIN, 2526 COLLINS, GARLAND, TX, 75044-3706 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102564	Brenda Guzman	, CHARLES BLACKNICK, 2530 RADCLIFF, BRONX, NY, 10469-4206 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102571	Brenda Guzman	, DAVID F BANKO, PO BOX 685, CASTLE ROCK, CO, 80104 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102588	Brenda Guzman	, DOROTHY J DUKE EST, C/O FRED W VANDERGRIF PO BOX 1344, AZLE, TX, 76098 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102595	Brenda Guzman	, DUKE G BURNETT, 509 VZ COUNTY ROAD 3443, WILLS POINT, TX, 75169-9322 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102601	Brenda Guzman	, FREDERICK J PERKINS, 148 MORNINGSIDE AVE, COUNCIL BLUFFS, IA, 51503 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102618	Brenda Guzman	, G MICHAEL GOUGLER, 4729 MASTERS DR, NEWBERG, OR, 97132-7470 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102625	Brenda Guzman	, GARY W HODGE, 9466 W POWERS DR., LITTLETON, CO, 80123-2346 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102632	Brenda Guzman	, GLORIA J HARDY, 1718 LAKEWAY DR, CLEBURNE, TX, 76031 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102649	Brenda Guzman	, HASKELL MOORE, 41401 S COUNTY ROAD #200, WOODWARD, OK, 73801-5589 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102656	Brenda Guzman	, IMINERALS LLC, 5 INVERNESS DR E, ENGLEWOOD, CO, 80112 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102663	Brenda Guzman	, JANET M CUNNINGHAM, 1807 CRYSTAL SPRINGS DR, DUNCANVILLE, TX, 75137 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102670	Brenda Guzman	, JERRY M CREWS, 8001 OLD CHAPPELL HILL RD, BRENHAM, TX, 77833 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102687	Brenda Guzman	, JOHN H JEFFERIES, and PEGGY J JEFFERIES 9108 SORRENTO, DALLAS, TX, 75228-4454 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102694	Brenda Guzman	, JOHN M KARNOWSKI, 6902 ALEXANDER DRIVE, DALLAS, TX, 75214-3209 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102700	Brenda Guzman	, LAURIE B BARHAM, 724 SUTHERLAND DR, TYLER, TX, 75703 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102717	Brenda Guzman	, LEE E JACOBS, 6302 SUTTER PARK LANE, HOUSTON, TX, 77066 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102724	Brenda Guzman	, LINDA A TAYLOR, 10214 NORTHLAKE DRIVE, DALLAS, TX, 75218-1731 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102731	Brenda Guzman	, MARVIN W ZAHN JR, 1510 POSTBRIDGE CT, ARLINGTON, TX, 76012-2121 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102748	Brenda Guzman	, OFFICE OF NATURAL RESOURCES REVENUE, LAKEWOOD ACCTG CENT ONSHORE P O BOX 25627, DENVER, CO, 80225-0627 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102755	Brenda Guzman	, R STANLEY DELONG, PO BOX 357, HARRAH, OK, 73045 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102762	Brenda Guzman	, ROSA M MITCHELL, 921 OAK MEADOW, DRIPPING SPRINGS, TX, 78620 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102779	Brenda Guzman	, SABIO MINERAL JOINT VENTURE, PO BOX 12274, DALLAS, TX, 75225 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102786	Brenda Guzman	, SARATOGA ROYALTY LP, PO BOX 141356, DALLAS, TX, 75214 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102793	Brenda Guzman	, SHANNON C COOK, 4647 ALTA VISTA LANE, DALLAS, TX, 75229 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending
92148969009997901770102809	Brenda Guzman	, SHANNAN WHITTEN, SOUTHLAND ROYALTY COMPANY LLC, C/O MORNINGSTAR PARTNERS LP 400 WEST 7TH STREET, FORT WORTH, TX, 76102 Code: Scott E Fed Com 15R DHC	1/31/2019	Signature Pending

Well Name: SCOTT E FEDERAL COM #15R

API Well 3004634404	Surface Leg Location T27N-R11W-S36	Field Name Basin Dakota	Route 0605	State/Province New Mexico	Well Configuration Type Vertical
Ground Elevation (ft) 6,494.00	Original RST Elevation (ft) 6,509.00				

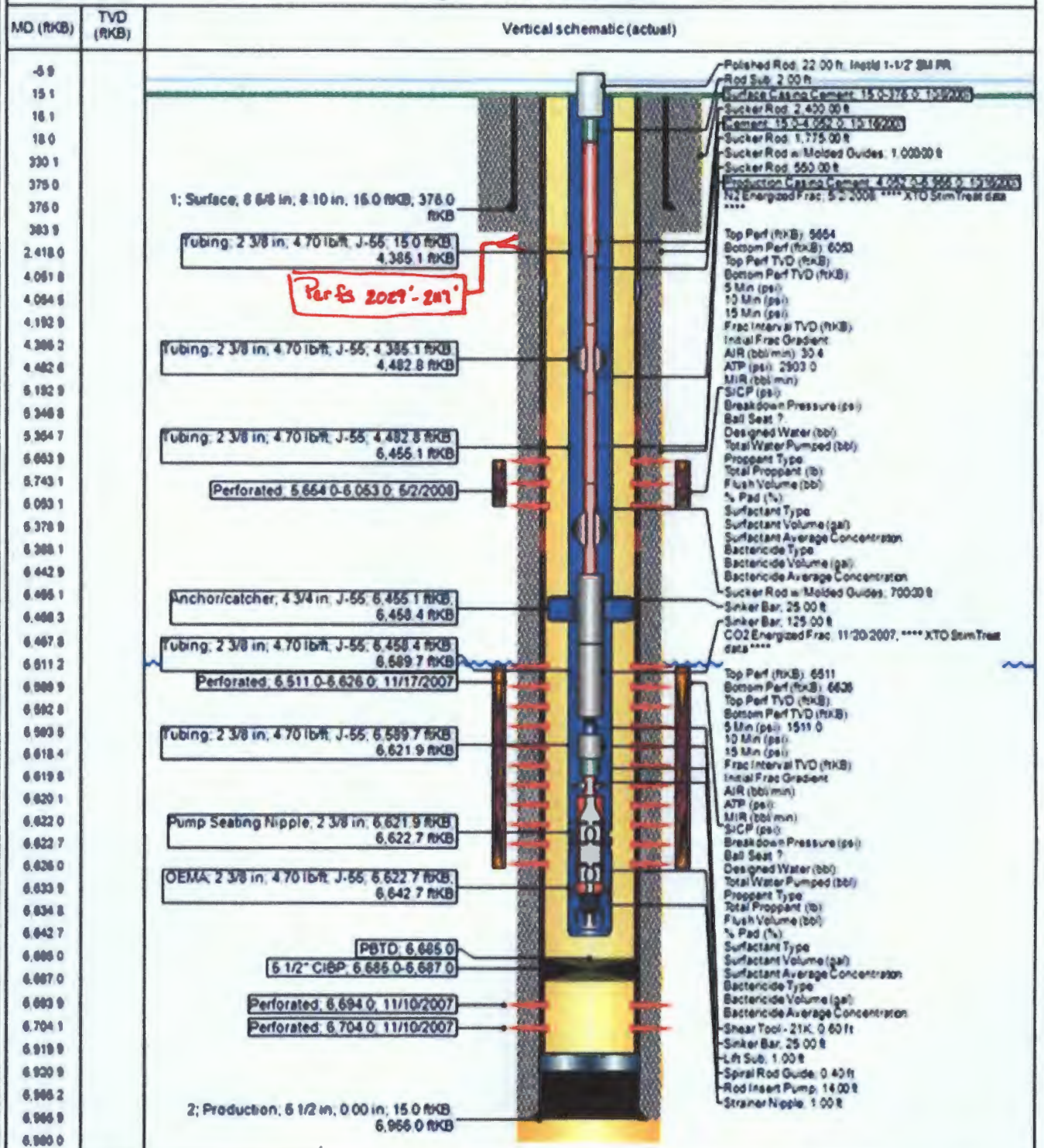
Vertical, Original Hole, 1/11/2019 8 34 11 AM




Well Name: SCOTT E FEDERAL COM #15R

API Well 3004634404	Surface Log Location T27N-R11W-S36	Field Name Basin Dakota	Route 0606	State/Province New Mexico	Well Configuration Type Vertical
Grande Elevation (ft) 6,484.00	Original RKB Elevation (ft) 6,609.00				

Vertical, Original Hole, 1/11/2019 8:34:11 AM





New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order DHC-4129

Order Date: 12/6/2008

Application Reference Number: pKVR0833153009

XTO ENERGY, INC
382 ROAD 3100,
AZTEC, NM 87410

Attention: LORRI BINGHAM, REG COMPLIANCE TECH

SCOTT E FEDERAL COM Well No. 015R

API No: 30-045-34404

Unit K, Section 36, Township 27 North, Range 11 West, NMPM

San Juan County, New Mexico

Pool: BASIN DAKOTA (PRORATED GAS) Gas 71599
Names: BASIN MANCOS Gas 97232

Reference is made to your recent application for an exception to Rule 12.9A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11A., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and allocation of production from the well shall be as follows:

BASIN DAKOTA (PRORATED GAS) Pool	Pct Gas: 87	Pct Oil: 11
WC BASIN MANCOS Pool	Pct Gas: 13	Pct Oil: 89

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.



Pursuant to Rule 12.11B., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling:


MARK E. FESMIRE, P.E.
Director

MEF/wvjj

cc: Oil Conservation Division – Aztec
Bureau of Land Management - Farmington
