

8/28/06

WVS

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PWVS 0624155521

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
DISTRICT II  
1301 W. Grand Avenue, 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 and Natural Resources

Form C-107A  
Revised June 10, 2003

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

DHC-3783

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

APPLICATION FOR DOWNHOLE COMMINGLING

XTO Energy Inc. 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401  
Operator Address

UTE INDIANS A #39 UNIT H SEC 27 T32N R14W SAN JUAN  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 167067 Property Code 22645 API No. 30-045-33284 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<u>UNDES</u> BARKER DOME ISMAY	<u>UNDES</u> BARKER DOME DESERT CREEK	<u>UNDES</u> BK DM AKAH/UPR BK CREEK
Pool Code	96354 ✓	96353 ✓	96352 ✓
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	7716' - 7854'	7897' - 8003'	8203' - 8241' 8113' - 8159'
Method of Production (Flowing or Artificial Life)	FLOWING	FLOWING	FLOWING
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	NEW ZONE
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: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil: 10 % Gas: .69 %	Oil: 0 % Gas: 46.05 %	Oil: 90 % Gas: 24.69 %

Are all working, overriding, and royalty interests identical in all commingled zones? Yes  No   
If not, have all working, overriding, and royalty interests 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 all offset operators.
- Notification list of working, overriding, and royalty interests for uncommon interest cases.
- Any additional statements, data, or documents required to support commingling.

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 Lorri D. Bingham TITLE REGULATORY COMP TECH DATE 8/24/06

TYPE OR PRINT NAME LORRI D. BINGHAM TELEPHONE NO. ( 505 ) 324-1090

E-MAIL lorri.bingham@xtoenergy.com

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Lease UTE INDIANS A Well No. #39 Unit Letter-Section-Township-Range UNIT H SEC 27 T32N R14W County SAN JUAN

OGRID No. 167067 Property Code 22645 API No. 30-045-33284 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name			<u>WADES</u> <u>BARKER <del>CRACK</del> PARADOX</u>
Pool Code			<u>71560</u> ✓
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)			<u>8540' - 8544'</u> <u>8288' - 8406'</u>
Method of Production (Flowing or Artificial Life)			<u>FLOWING</u>
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone			<u>NEW ZONE</u>
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: Rates:	Date: Rates:
	Date: Rates:	Date: Rates:	Date: Rates:
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: %	Oil: % Gas: %	Oil: <u>0</u> % Gas: <u>28.5</u> %

Are all working, overriding, and royalty interests identical in all commingled zones? Yes  No   
If not, have all working, overriding, and royalty interests 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

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