

DATE IN 7/27/07	SUSPENSE 8/27/07	ENGINEER Will Jones	LOGGED IN 7/31/07	TYPE DHC	APP NO. PTDS072/250393
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ABOVE THIS LINE FOR DIVISION USE ONLY

3934

NEW MEXICO OIL CONSERVATION DIVISION  
- 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

### 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

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.

Print or Type Name

Signature

Title

Date

e-mail Address



2700 Farmington Ave, K-1 Farmington, NM 87401  
Phone: (505) 324-1090 FAX: (505) 564-6700

July 27, 2007

Mr. Will Jones  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

Subject: Downhole Commingle Federal H #1F  
30-045-33641 Sec 9 - T27N - R10W  
Basin Dakota & Wildcat Basin Mancos  
SF077382; San Juan, NM

Dear Mr. Jones:

Enclosed please find an administrative application form (C107A) and attachments for downhole commingling of the Basin Dakota and Wildcat Basin Mancos pools. XTO Energy Inc. plans to drill this well immediately and downhole commingle at the time of completion.

All interest owners were been notified by certified mail, return receipt requested on July 2, 2007. The director may approve the proposed downhole commingling in the absence of any valid objections from any offset operator or any interest owners within 20 days after the receipt of the application if, in his opinion, waste will not result thereby and correlative rights will not be violated.

Any questions pertaining to this matter, please call me at (505) 324-1090.

Sincerely,

Holly C. Perkins  
Regulatory Compliance Tech

xc: Wellfile  
OCD, Aztec Office

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 87240  
 District II  
 1301 W. Grand Ave., 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-103  
 May 27, 2004

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. <b>30-045-33641</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: <b>FEDERAL H</b>
8. Well Number <b>1F</b>
9. OGRID Number
10. Pool name or Wildcat <b>BASIN DAKOTA/ WILDCAT BASIN MANCOS</b>

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
 Oil Well  Gas Well  Other

2. Name of Operator  
**XTO ENERGY INC.**

3. Address of Operator  
**2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401**

4. Well Location  
 Unit Letter **N**; **900** feet from the **SOUTH** line and **1810** feet from the **WEST** line  
 Section **9** Township **27N** Range **10W** NMPM County **San Juan**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**5380' GR**

Pit or Below-grade Tank Application  or Closure   
 Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_  
 Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK  PLUG AND ABANDON   
 TEMPORARILY ABANDON  CHANGE PLANS   
 PULL OR ALTER CASING  MULTIPLE COMPLETION   
 OTHER: **DOWNHOLE COMMINGLE**

SUBSEQUENT REPORT OF:

REMEDIAL WORK  ALTERING CASING   
 COMMENCE DRILLING OPNS.  PLUG AND ABANDONMENT   
 CASING TEST AND CEMENT JOB   
 OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy Inc. is requesting approval to downhole commingle product from the Basin Dakota (71599) and the Wildcat Basin Mancos (97232) in the Federal H #1F. XTO Energy will DHC upon completion of the well. Allocations are based on a 9-section EUR & calculated as follows:  
 Gas: DK 70.14% MC 29.86% Water: DK 40% MC 60% Oil: DK 33.33% MC 66.67%  
 Interests are not common between pools & notice was given to owners of impending DHC July 2, 2007 via certified, return receipt US mail. Downhole commingling will offer an economical method for production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The BLM received our NOI sundry on form 3160-5 July 27, 2007.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 7/27/2007

Type or print name HOLLY C. PERKINS E-mail address: hholly\_perkins@xtoenergy.com Telephone No. (505) 324-1090

For State Use Only

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval, if any:

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

District II  
1301 W. Grand Avenue, 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

Form C-107A  
Revised June 10, 2003

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

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

**APPLICATION FOR DOWNHOLE COMMINGLING**

XTO ENERGY INC. 2700 FARMINGTON AVENUE, SUITE K-1 FARMINGTON, NM 87401

Operator FEDERAL H Address N SEC 9-T27NH-R10W SAN JUAN **DHC-3934**

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 5380 Property Code \_\_\_\_\_ API No. 30-045-33641 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name Basin DK/WC BASIN MC	WILDCAT BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5569' - 5875'		6349' - 6578'
Method of Production (Flowing or Artificial Lift)	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)	NEW DRILL	NEW DRILL	NEW DRILL
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 Gas Water 66.67% 29.86% 60%	Oil Gas Water % % %	Oil Gas Water 33.33% 70.14% 40%

**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 Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH 7/27/2007

TYPE OR PRINT NAME HOLLY C. PERKINS TELEPHONE NO. ( 505 ) 326-2777

E-MAIL ADDRESS holly\_perkins@xtoenergy.com

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

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

DISTRICT III  
1000 Rio Brazos 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

Form C-102  
Revised June 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

*API Number		*Pool Code	*Pool Name
		71599	Basin Dakota
*Property Code	*Property Name		*Well Number
	FEDERAL H		1F
*DCRD No.	*Operator Name		*Elevation
167067	XTO ENERGY INC.		6103'

**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
N	9	27-N	10-W		900	SOUTH	1810	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			*Joint or Infill		*Consolidation Code		*Order No.		
w/la 320									

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

FD. 2 1/2 B.C.  
1913 U.S.G.L.O.

M. 0-02-07 E  
2639.4' (M)

1810'

S 89-49-39 E  
2640.3' (M)

900'

FD. 2 1/2 B.C.  
1913 U.S.G.L.O.

FD. 2 1/2 B.C.  
1913 U.S.G.L.O.

LAT. 36°55'05.9" N (NAD 27)  
LONG. 107°54'11.3" W (NAD 27)

**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Heather K. Small*  
Signature

Heather K Small  
Printed Name

Regulatory Compliance Tech  
Title

9/29/09  
Date

**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 knowledge and belief.

JOHN K. WARD  
NEW MEXICO  
REGISTERED PROFESSIONAL SURVEYOR  
14831

14831  
Certificate Number

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

DISTRICT II  
1524 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III  
1000 Rio Brazos Rd., Artesia, 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

Form C-102  
Revised June 10, 2003

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name
		97232	Basin mancos
*Property Code	*Property Name		*Well Number
	FEDERAL H		1F
*OCRD No.	*Operator Name		*Elevation
167067	XTO ENERGY INC.		6103'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	9	27-N	10-W		900	SOUTH	1810	WEST	SAN JUAN

<sup>11</sup> 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
<p>*Dedicated Acres: SW/4 160</p> <p>**Joint or Infill</p> <p>**Consolidation Code</p> <p>**Order No.</p>									

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>16</p> <p>FD. 2 1/2" B.C. 1913 U.S.G.L.O.</p> <p>N 0-02-07 E 2639.4' (M)</p> <p>9</p> <p>LAT. 36°35'05.9"N (NAD 27) LONG. 107°54'11.3" W (NAD 27)</p> <p>1810'</p> <p>S 89-49-39 E 2640.3' (M)</p> <p>900'</p> <p>FD. 2 1/2" B.C. 1913 U.S.G.L.O.</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <i>Deey &amp; Smace</i>  <i>Henry K Small</i></p> <p>Printed Name: <i>Regulatory Compliance Tech</i></p> <p>Title: <i>9/29/05</i></p> <p>Date: <i>9/29/05</i></p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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 knowledge and belief.</p> <p>Signature and Seal of Registered Professional Surveyor:</p> <p><i>JOHN A. VUKOBAC</i></p> <p>Date of Survey: <i>14831</i></p> <p>Certificate Number: <i>14831</i></p>



2700 Farmington Ave, K-1 Farmington, NM 87401  
Phone: (505) 324-1090 FAX: (505) 564-6700

July 20, 2007

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling  
Federal H #1F  
SESW Sec 9-T27N-R10W  
900' FSL & 1810' FWL

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the Basin Dakota and the Basin Mancos pools in the Federal H #1F. Neither pool is included in NMOCD pre-approved pool combinations for downhole commingling in the San Juan Basin. Therefore, application to commingle will be submitted to the NMOCD in Santa Fe. Commingling of these pools will minimize operating costs, add reserves and improve economics of the well.

The proposed allocation percentages for each pool are as follows:

Basin Dakota	Gas: 70.14%	Water: 40%	Oil: 33.33%
Basin Mancos	Gas: 29.86%	Water: 60%	Oil: 66.67%

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between zones. If you need additional information or have any questions, I may be contacted at (505) 324-1090. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

A handwritten signature in cursive script that reads 'Holly C. Perkins'.

Holly C. Perkins  
Regulatory Compliance Tech

xc: well file

B.B.L., LTD.  
P.O. BOX 911  
BRECKENRIDGE, TX 764240911  
Federal H #1F DHC

B.B.L., LTD.  
P.O. BOX 911  
BRECKENRIDGE, TX 764240911  
Federal H #1F DHC

B.B.L., LTD.  
P.O. BOX 911  
BRECKENRIDGE, TX 764240911  
Federal H #1F DHC

CHATEAU ENERGY INC  
10440 N CENTRAL EXPRESSWAY  
STE 1475  
DALLAS, TX 752312221  
Federal H #1F DHC

CHATEAU ENERGY INC  
10440 N CENTRAL EXPRESSWAY  
STE 1475  
DALLAS, TX 752312221  
Federal H #1F DHC

CHATEAU ENERGY INC  
10440 N CENTRAL EXPRESSWAY  
STE 1475  
DALLAS, TX 752312221  
Federal H #1F DHC

COMSTOCK OIL & GAS, INC.  
5300 TOWN & COUNTRY BLVD. #500  
FRISCO, TX 750340000  
Federal H #1F DHC

COMSTOCK OIL & GAS, INC.  
5300 TOWN & COUNTRY BLVD. #500  
FRISCO, TX 750340000  
Federal H #1F DHC

COMSTOCK OIL & GAS, INC.  
5300 TOWN & COUNTRY BLVD. #500  
FRISCO, TX 750340000  
Federal H #1F DHC

LEON M. DUCHARME MARITAL  
TRUST RITA MAE DUCHARME &  
2617 S WADSWORTH CIR  
LAKEWOOD, CO 802273220  
Federal H #1F DHC

LEON M. DUCHARME MARITAL  
TRUST RITA MAE DUCHARME &  
2617 S WADSWORTH CIR  
LAKEWOOD, CO 802273220  
Federal H #1F DHC

LEON M. DUCHARME MARITAL  
TRUST RITA MAE DUCHARME &  
2617 S WADSWORTH CIR  
LAKEWOOD, CO 802273220  
Federal H #1F DHC

LUCILLE H PIPKIN TRUST STUART  
SHANOR & HOWARD KAST  
P O BOX 1174  
ROSWELL, NM 882021174  
Federal H #1F DHC

LUCILLE H PIPKIN TRUST STUART  
SHANOR & HOWARD KAST  
P O BOX 1174  
ROSWELL, NM 882021174  
Federal H #1F DHC

LUCILLE H PIPKIN TRUST STUART  
SHANOR & HOWARD KAST  
P O BOX 1174  
ROSWELL, NM 882021174  
Federal H #1F DHC

MMS XTO FEDERAL  
C/O XTO ENERGY INC  
810 HOUSTON STREET  
FORT WORTH, TX 761026298  
Federal H #1F DHC

MMS XTO FEDERAL  
C/O XTO ENERGY INC  
810 HOUSTON STREET  
FORT WORTH, TX 761026298  
Federal H #1F DHC

MMS XTO FEDERAL  
C/O XTO ENERGY INC  
810 HOUSTON STREET  
FORT WORTH, TX 761026298  
Federal H #1F DHC

NEW SOUTH MINERALS INC  
SUITE 205  
350 N SAM HOUSTON PKWY E  
HOUSTON, TX 770600000  
Federal H #1F DHC

NEW SOUTH MINERALS INC  
SUITE 205  
350 N SAM HOUSTON PKWY E  
HOUSTON, TX 770600000  
Federal H #1F DHC

NEW SOUTH MINERALS INC  
SUITE 205  
350 N SAM HOUSTON PKWY E  
HOUSTON, TX 770600000  
Federal H #1F DHC

RICHARD PAUL HARGRAVE TRUST  
FROST NATL BK, AGENT A  
U.S. NATL BK, TRUST OIL & GAS  
P.O. BOX 1600  
SAN ANTONIO, TX 782960000  
Federal H #1F DHC

RICHARD PAUL HARGRAVE TRUST  
FROST NATL BK, AGENT A  
U.S. NATL BK, TRUST OIL & GAS  
P.O. BOX 1600  
SAN ANTONIO, TX 782960000  
Federal H #1F DHC

RICHARD PAUL HARGRAVE TRUST  
FROST NATL BK, AGENT A  
U.S. NATL BK, TRUST OIL & GAS  
P.O. BOX 1600  
SAN ANTONIO, TX 782960000  
Federal H #1F DHC

RITA MAE DUCHARME  
2617 S WADSWORTH CIRCLE  
LAKEWOOD, CO 802273220  
Federal H #1F DHC

RITA MAE DUCHARME  
2617 S WADSWORTH CIRCLE  
LAKEWOOD, CO 802273220  
Federal H #1F DHC

RITA MAE DUCHARME  
2617 S WADSWORTH CIRCLE  
LAKEWOOD, CO 802273220  
Federal H #1F DHC

RITA TREASA FLOYD C/O COMERICA  
BANK -TX TRUSTEE AT  
PO BOX 4167 (MAIL CODE 6605)  
HOUSTON, TX 772104167

Federal H #1F DHC

RITA TREASA FLOYD C/O COMERICA  
BANK -TX TRUSTEE AT  
PO BOX 4167 (MAIL CODE 6605)  
HOUSTON, TX 772104167

Federal H #1F DHC

RITA TREASA FLOYD C/O COMERICA  
BANK -TX TRUSTEE AT  
PO BOX 4167 (MAIL CODE 6605)  
HOUSTON, TX 772104167

Federal H #1F DHC

WILLIAM L. FLOYD, JR  
PO BOX 1628  
NEW YORK, NY 100210044

Federal H #1F DHC

WILLIAM L. FLOYD, JR  
PO BOX 1628  
NEW YORK, NY 100210044

Federal H #1F DHC

WILLIAM L. FLOYD, JR  
PO BOX 1628  
NEW YORK, NY 100210044

Federal H #1F DHC

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVAL  
OMB NO. 1004-0137  
Expires March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>NMSF-077382</b>
2. Name of Operator <b>XTO Energy Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>2700 Farmington Ave., Bldg. K. Ste 1 Farmington,</b>	3b. Phone No. (include area code) <b>505-324-1090</b>	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>900' FSL &amp; 1810' FWL SEC 9N-T27N-R10W</b>		8. Well Name and No. <b>FEDERAL H #1F</b>
		9. API Well No. <b>30-045-33641</b>
		10. Field and Pool, or Exploratory Area <b>BASIN DAKOTA/ WILDCAT BASIN MANCOS</b>
		11. County or Parish, State <b>SAN JUAN NM</b>

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

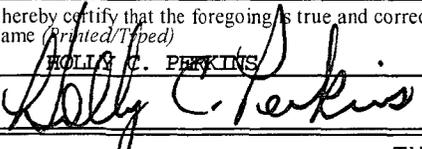
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>DOWNHOLE</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>COMMINGLE</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

XTO Energy Inc. requests approval to downhole commingle production from the Basin Dakota (71599) and the Wildcat Basin Mancos (97232). Allocations are based upon a 9-section EUR and calculated as follows:

Basin Dakota:	Gas: 70.14%	Water: 40%	Oil: 33.33%
Wildcat Basin Mancos:	Gas: 29.86%	Water: 60%	Oil: 66.67%

Interests are diverse in this well's pools and notification was sent to interest owners via certified, return receipt on July 2, 2007. The NMOCD has been notified of our intent to DHC by submittal of form C103 & C107A. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) <b>HOLLY C. PERKINS</b>	Title <b>REGULATORY COMPLIANCE TECH</b>
	Date <b>7/26/2007</b>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	



RECEIVED  
2007 JUL 27 AM 11 51

2700 Farmington Ave, K-1 Farmington, NM 87401  
Phone: (505) 324-1090 FAX: (505) 564-6700

July 27, 2007

Mr. Will Jones  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

Subject: Downhole Commingle Federal H #1F  
30-045-33641 Sec 9 - T27N - R10W  
Basin Dakota & Wildcat Basin Mancos  
SF077382; San Juan, NM

Dear Mr. Jones:

Enclosed please find an administrative application form (C107A) and attachments for downhole commingling of the Basin Dakota and Wildcat Basin Mancos pools. XTO Energy Inc. plans to drill this well immediately and downhole commingle at the time of completion.

All interest owners were been notified by certified mail, return receipt requested on July 2, 2007. The director may approve the proposed downhole commingling in the absence of any valid objections from any offset operator or any interest owners within 20 days after the receipt of the application if, in his opinion, waste will not result thereby and correlative rights will not be violated.

Any questions pertaining to this matter, please call me at (505) 324-1090.

Sincerely,

A handwritten signature in cursive script that reads "Holly C. Perkins".

Holly C. Perkins  
Regulatory Compliance Tech

xc: Wellfile  
OCD, Aztec Office

Submit 3 Copies To Appropriate District Office-  
 District I  
 1625 N. French Dr., Hobbs, NM 87240  
 District II  
 1301 W. Grand Ave., 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-103  
 May 27, 2004

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO.  
 30-045-33641

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:  
 FEDERAL H

8. Well Number  
 1F

9. OGRID Number

10. Pool name or Wildcat  
 BASIN DAKOTA/ WILDCAT BASIN MANCOS

SUNDRY NOTICES AND REPORTS ON WELLS  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
 Oil Well  Gas Well  Other

2. Name of Operator  
 XTO ENERGY INC.

3. Address of Operator  
 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

4. Well Location  
 Unit Letter N : 900 feet from the SOUTH line and 1810 feet from the WEST line  
 Section 9 Township 27N Range 10W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 5380' GR

Pit or Below-grade Tank Application  or Closure   
 Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_  
 Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK  PLUG AND ABANDON   
 TEMPORARILY ABANDON  CHANGE PLANS   
 PULL OR ALTER CASING  MULTIPLE COMPLETION   
 OTHER: DOWNHOLE COMMINGLE

SUBSEQUENT REPORT OF:

- REMEDIAL WORK  ALTERING CASING   
 COMMENCE DRILLING OPNS.  PLUG AND ABANDONMENT   
 CASING TEST AND CEMENT JOB   
 OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy Inc. is requesting approval to downhole commingle product from the Basin Dakota (71599) and the Wildcat Basin Mancos (97232) in the Federal H #1F. XTO Energy will DHC upon completion of the well. Allocations are based on a 9-section EUR & calculated as follows:  
 Gas: DK 70.14% MC 29.86% Water: DK 40% MC 60% Oil: DK 33.33% MC 66.67%  
 Interests are not common between pools & notice was given to owners of impending DHC July 2, 2007 via certified, return receipt US mail. Downhole commingling will offer an economical method for production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The BLM received our NOI sundry on form 3160-5 July 27, 2007.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines  , a general permit  or an (attached) alternative OCD-approved plan

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 7/27/2007

Type or print name HOLLY C. PERKINS E-mail address: hnolly\_perkins@xtoenergy.com Telephone No. (505) 324-1090

For State Use Only

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval, if any: