

DATE IN <u>1-6-10</u>	SUSPENSE <u>1/10</u>	ENGINEER <u>Jones</u>	LOGGED IN <u>1-6-10</u>	TYPE <u>PHC</u>	APP NO. <u>1000657385</u>
-----------------------	----------------------	-----------------------	-------------------------	-----------------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



XTO Energy

ADMINISTRATIVE APPLICATION CHECKLIST

Breach F #16

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:

30-039-29998

[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.

WANETT MCCAULEY
Print or Type Name

Signature

Wanett McCauley

REGULATORY COMPLIANCE TECHNICIAN
Title

1/05/2010
Date

wanett_mccauley@xtoenergy.com
e-mail Address

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

Oil Conservation Division

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

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107A
Revised June 10, 2003

APPLICATION TYPE

☒ Single Well

☐ Establish Pre-Approved Pools

EXISTING WELLBORE

☒ Yes ☐ No

XTO Energy Inc.

Operator

382 CR 3100, Aztec, NM 87410

Address

DHC-4248

BREECH F

#16

H

SEC 33

T27N

R06W

RIO ARriba

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 5380 Property Code 304754 API No. 30-039-29998 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6,714' - 6,920'		7,378' - 7,603'
Method of Production (Flowing or Artificial Lift)	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)	1.112		1.123
Producing, Shut-In or 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: 11/01/2009 Rates: 342 BO/3640 MCF/0 BW	Date: Rates:	Date: 8/01/2009 Rates: 12 BO/284 MCF/40 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil: 95 % Gas: 56 %	Oil: % Gas: %	Oil: 5 % Gas: 44 %

Are all working, overriding, and royalty interests identical in all commingled zones?
If not, have all working, overriding, and royalty interests been notified by certified mail?

Yes ☐ No ☒
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 Wanett McCauley TITLE REG COMPLIANCE TECHNICIAN DATE 1/05/2010

TYPE OR PRINT NAME WANETT MCCAULEY TELEPHONE NO. (505) 333-3630

E-MAIL wanett.mccauley@xtoenergy.com

Allocation Breech F #16

Tocito/MC	MCFPM	BOPM	BWPM
Sep-09	4075	114.5	40
Oct-09	3088	294.9	84.7
Nov-09	3670	342.2	10

Total	10833	751.6	134.7
-------	-------	-------	-------

Dakota	MCFPM	BOPM	BWPM
May-09	3092	18.4	30
Jun-09	2453	11	
Jul-09	2914	8.8	

Total	8459	38.2	30
-------	------	------	----

Allocations	%Gas	%Oil	%Water
TO/MC	56.2	95.2	81.8
DK	43.8	4.8	18.2



382 CR 3100
Aztec, NM 87410

January 5, 2010

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling
Breech F #16
Unit H, Sec 33-T27N-R06W

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 Breech F #16. 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: 44%	Oil: 5%	Water: 18%
Basin Mancos:	Gas: 56%	Oil: 95%	Water: 82%

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between zones. If you have questions specifically pertaining to this letter, I may be contacted at (505) 333-3630. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter. For any other inquiries, please call the toll free automated number (866-886-2613) with your owner number in hand or you may contact Deanna Garcia with XTO Energy's Land Department at (817) 885-3410.

Sincerely,


Wanett McCauley
Regulatory Compliance Technician

xc: well file

BETSY BRYANT
2201 BROOKHOLLOW
ABILENE, TX 796055507
BREECH F 016 DHC REG DEPT

BETSY BRYANT
2201 BROOKHOLLOW
ABILENE, TX 796055507
BREECH F 016 DHC REG DEPT

BETSY BRYANT
2201 BROOKHOLLOW
ABILENE, TX 796055507
BREECH F 016 DHC REG DEPT

BP AMERICA PRODUCTION CO ATTN
OUTSIDE OPERATED JOI
PO BOX 848103
DALLAS, TX 752840000
BREECH F 016 DHC REG DEPT

BP AMERICA PRODUCTION CO ATTN
OUTSIDE OPERATED JOI
PO BOX 848103
DALLAS, TX 752840000
BREECH F 016 DHC REG DEPT

BP AMERICA PRODUCTION CO ATTN
OUTSIDE OPERATED JOI
PO BOX 848103
DALLAS, TX 752840000
BREECH F 016 DHC REG DEPT

BP AMERICA PRODUCTION COMPANY
P O BOX 277897
ATLANTA, GA 303847897
BREECH F 016 DHC REG DEPT

BP AMERICA PRODUCTION COMPANY
P O BOX 277897
ATLANTA, GA 303847897
BREECH F 016 DHC REG DEPT

BP AMERICA PRODUCTION COMPANY
P O BOX 277897
ATLANTA, GA 303847897
BREECH F 016 DHC REG DEPT

DOROTHY BARTLETT C/O MS KAY
WARD
3719 22ND ST STE A
LUBBOCK, TX 794100000
BREECH F 016 DHC REG DEPT

DOROTHY BARTLETT C/O MS KAY
WARD
3719 22ND ST STE A
LUBBOCK, TX 794100000
BREECH F 016 DHC REG DEPT

DOROTHY BARTLETT C/O MS KAY
WARD
3719 22ND ST STE A
LUBBOCK, TX 794100000
BREECH F 016 DHC REG DEPT

ENERGEN RESOURCES
CORPORATION
605 RICHARD ARRINGTON BLVD N
BIRMINGHAM, AL 352032707
BREECH F 016 DHC REG DEPT

ENERGEN RESOURCES
CORPORATION
605 RICHARD ARRINGTON BLVD N
BIRMINGHAM, AL 352032707
BREECH F 016 DHC REG DEPT

ENERGEN RESOURCES
CORPORATION
605 RICHARD ARRINGTON BLVD N
BIRMINGHAM, AL 352032707
BREECH F 016 DHC REG DEPT

EPIC ROYALTIES LLC
2960 INCA ST #207
DENVER, CO 802020000
BREECH F 016 DHC REG DEPT

EPIC ROYALTIES LLC
2960 INCA ST #207
DENVER, CO 802020000
BREECH F 016 DHC REG DEPT

EPIC ROYALTIES LLC
2960 INCA ST #207
DENVER, CO 802020000
BREECH F 016 DHC REG DEPT

GAIL SMITH KEYS
1803 CRESTVIEW DR
CARROLLTON, TX 750061609
BREECH F 016 DHC REG DEPT

GAIL SMITH KEYS
1803 CRESTVIEW DR
CARROLLTON, TX 750061609
BREECH F 016 DHC REG DEPT

GAIL SMITH KEYS
1803 CRESTVIEW DR
CARROLLTON, TX 750061609
BREECH F 016 DHC REG DEPT

GEORGE W UMBACH C/O BANK OF
OKLAHOMA AGENT ATTN J
PO BOX 1588
TULSA, OK 741010000
BREECH F 016 DHC REG DEPT

GEORGE W UMBACH C/O BANK OF
OKLAHOMA AGENT ATTN J
PO BOX 1588
TULSA, OK 741010000
BREECH F 016 DHC REG DEPT

GEORGE W UMBACH C/O BANK OF
OKLAHOMA AGENT ATTN J
PO BOX 1588
TULSA, OK 741010000
BREECH F 016 DHC REG DEPT

GREG & NANCY VANCE FAMILY
LIMITED PARTNERSHIP C/O
8080 N CENTRAL EXPY STE 1090
DALLAS, TX 752060000
BREECH F 016 DHC REG DEPT

GREG & NANCY VANCE FAMILY
LIMITED PARTNERSHIP C/O
8080 N CENTRAL EXPY STE 1090
DALLAS, TX 752060000
BREECH F 016 DHC REG DEPT

GREG & NANCY VANCE FAMILY
LIMITED PARTNERSHIP C/O
8080 N CENTRAL EXPY STE 1090
DALLAS, TX 752060000
BREECH F 016 DHC REG DEPT

GW HOLDINGS INC.
P O BOX 121938
FORT WORTH, TX 761211938
BREECH F 016 DHC REG DEPT

GW HOLDINGS INC.
P O BOX 121938
FORT WORTH, TX 761211938
BREECH F 016 DHC REG DEPT

GW HOLDINGS INC.
P O BOX 121938
FORT WORTH, TX 761211938
BREECH F 016 DHC REG DEPT

ODYSSEY ROYALTIES LLC
8261 S MONACO COURT
ENGLEWOOD, CO 801120000

BREECH F 016 DHC REG DEPT

ODYSSEY ROYALTIES LLC
8261 S MONACO COURT
ENGLEWOOD, CO 801120000

BREECH F 016 DHC REG DEPT

ODYSSEY ROYALTIES LLC
8261 S MONACO COURT
ENGLEWOOD, CO 801120000

BREECH F 016 DHC REG DEPT

P T BEE
4925 GREENVILLE AVE STE 200
DALLAS, TX 752064026

BREECH F 016 DHC REG DEPT

P T BEE
4925 GREENVILLE AVE STE 200
DALLAS, TX 752064026

BREECH F 016 DHC REG DEPT

P T BEE
4925 GREENVILLE AVE STE 200
DALLAS, TX 752064026

BREECH F 016 DHC REG DEPT

PATRICK ROBINSON
7036 S SHAWNEE ST
AURORA, CO 800160000

BREECH F 016 DHC REG DEPT

PATRICK ROBINSON
7036 S SHAWNEE ST
AURORA, CO 800160000

BREECH F 016 DHC REG DEPT

PATRICK ROBINSON
7036 S SHAWNEE ST
AURORA, CO 800160000

BREECH F 016 DHC REG DEPT

PICKLE INC. C/O MICHAEL D. MACKEL
PO BOX 16163
BEVERLY HILLS, CA 902090000

BREECH F 016 DHC REG DEPT

PICKLE INC. C/O MICHAEL D. MACKEL
PO BOX 16163
BEVERLY HILLS, CA 902090000

BREECH F 016 DHC REG DEPT

PICKLE INC. C/O MICHAEL D. MACKEL
PO BOX 16163
BEVERLY HILLS, CA 902090000

BREECH F 016 DHC REG DEPT

ROBT UMBACH CANCER
FOUNDATION WELLS FARGO BANK,
NA

ATTN: OPERATIONS
PO BOX 5383
DENVER, CO 802170000

BREECH F 016 DHC REG DEPT

ROBT UMBACH CANCER
FOUNDATION WELLS FARGO BANK,
NA

ATTN: OPERATIONS
PO BOX 5383
DENVER, CO 802170000

BREECH F 016 DHC REG DEPT

ROBT UMBACH CANCER
FOUNDATION WELLS FARGO BANK,
NA

ATTN: OPERATIONS
PO BOX 5383
DENVER, CO 802170000

BREECH F 016 DHC REG DEPT

SARAH S MIMS TRUST WILLIAM L
MADSEN AND SARAH S MI
PO BOX 111846
CARROLLTON, TX 750111846

BREECH F 016 DHC REG DEPT

SARAH S MIMS TRUST WILLIAM L
MADSEN AND SARAH S MI
PO BOX 111846
CARROLLTON, TX 750111846

BREECH F 016 DHC REG DEPT

SARAH S MIMS TRUST WILLIAM L
MADSEN AND SARAH S MI
PO BOX 111846
CARROLLTON, TX 750111846

BREECH F 016 DHC REG DEPT

SUSAN RITTER
4700 VIA MEDIA
AUSTIN, TX 787460000

BREECH F 016 DHC REG DEPT

SUSAN RITTER
4700 VIA MEDIA
AUSTIN, TX 787460000

BREECH F 016 DHC REG DEPT

SUSAN RITTER
4700 VIA MEDIA
AUSTIN, TX 787460000

BREECH F 016 DHC REG DEPT

TED WEINER OIL PROPERTIES TRST
GWENDOLYN WEINER, T
PO BOX 121938
FORT WORTH, TX 761210000

BREECH F 016 DHC REG DEPT

TED WEINER OIL PROPERTIES TRST
GWENDOLYN WEINER, T
PO BOX 121938
FORT WORTH, TX 761210000

BREECH F 016 DHC REG DEPT

TED WEINER OIL PROPERTIES TRST
GWENDOLYN WEINER, T
PO BOX 121938
FORT WORTH, TX 761210000

BREECH F 016 DHC REG DEPT

TEXAS CRUDE ENERGY INC.
P O BOX 122389
FORT WORTH, TX 761212389

BREECH F 016 DHC REG DEPT

TEXAS CRUDE ENERGY INC.
P O BOX 122389
FORT WORTH, TX 761212389

BREECH F 016 DHC REG DEPT

TEXAS CRUDE ENERGY INC.
P O BOX 122389
FORT WORTH, TX 761212389

BREECH F 016 DHC REG DEPT

HARRIET M. BUCHENAU LIVING
TRUST DTD 8/30/94 HARRI
PO BOX 867585
PLANO, TX 750867585

BREECH F 016 DHC REG DEPT

HARRIET M. BUCHENAU LIVING
TRUST DTD 8/30/94 HARRI
PO BOX 867585
PLANO, TX 750867585

BREECH F 016 DHC REG DEPT

HARRIET M. BUCHENAU LIVING
TRUST DTD 8/30/94 HARRI
PO BOX 867585
PLANO, TX 750867585

BREECH F 016 DHC REG DEPT

HENRIETTA E SCHULTZ TRUSTEE
500 N. AKARD, SUITE 2940
DALLAS, TX 752013360

BREECH F 016 DHC REG DEPT

HENRIETTA E SCHULTZ TRUSTEE
500 N. AKARD, SUITE 2940
DALLAS, TX 752013360

BREECH F 016 DHC REG DEPT

HENRIETTA E SCHULTZ TRUSTEE
500 N. AKARD, SUITE 2940
DALLAS, TX 752013360

BREECH F 016 DHC REG DEPT

JOSEPH W BARTLETT JR
5117 LYTON AVE
LAS VEGAS, NV 891461452

BREECH F 016 DHC REG DEPT

JOSEPH W BARTLETT JR
5117 LYTON AVE
LAS VEGAS, NV 891461452

BREECH F 016 DHC REG DEPT

JOSEPH W BARTLETT JR
5117 LYTON AVE
LAS VEGAS, NV 891461452

BREECH F 016 DHC REG DEPT

LAS COLINAS MINERALS LP
125 E JOHN CARPENTER FRWY
SUITE 600
IRVING, TX 750620000

BREECH F 016 DHC REG DEPT

LAS COLINAS MINERALS LP
125 E JOHN CARPENTER FRWY
SUITE 600
IRVING, TX 750620000

BREECH F 016 DHC REG DEPT

LAS COLINAS MINERALS LP
125 E JOHN CARPENTER FRWY
SUITE 600
IRVING, TX 750620000

BREECH F 016 DHC REG DEPT

LORRAINE N HIGBIE
1600 BROADWAY STE 1400
DENVER, CO 802020000

BREECH F 016 DHC REG DEPT

LORRAINE N HIGBIE
1600 BROADWAY STE 1400
DENVER, CO 802020000

BREECH F 016 DHC REG DEPT

LORRAINE N HIGBIE
1600 BROADWAY STE 1400
DENVER, CO 802020000

BREECH F 016 DHC REG DEPT

MACLONDON ENERGY, LP
PO BOX 14230
ODESSA, TX 797680000

BREECH F 016 DHC REG DEPT

MACLONDON ENERGY, LP
PO BOX 14230
ODESSA, TX 797680000

BREECH F 016 DHC REG DEPT

MACLONDON ENERGY, LP
PO BOX 14230
ODESSA, TX 797680000

BREECH F 016 DHC REG DEPT

MARGIE S. ELKINS
11008 ALEXANDRIA DR
FRISCO, TX 750358385

BREECH F 016 DHC REG DEPT

MARGIE S. ELKINS
11008 ALEXANDRIA DR
FRISCO, TX 750358385

BREECH F 016 DHC REG DEPT

MARGIE S. ELKINS
11008 ALEXANDRIA DR
FRISCO, TX 750358385

BREECH F 016 DHC REG DEPT

MHT PROPERTIES LTD
3840 WINDSOR LANE
DALLAS, TX 752050000

BREECH F 016 DHC REG DEPT

MHT PROPERTIES LTD
3840 WINDSOR LANE
DALLAS, TX 752050000

BREECH F 016 DHC REG DEPT

MHT PROPERTIES LTD
3840 WINDSOR LANE
DALLAS, TX 752050000

BREECH F 016 DHC REG DEPT

MITZI EASLEY
1203 ARRONIMIK CIR
AUSTIN, TX 787466301

BREECH F 016 DHC REG DEPT

MITZI EASLEY
1203 ARRONIMIK CIR
AUSTIN, TX 787466301

BREECH F 016 DHC REG DEPT

MITZI EASLEY
1203 ARRONIMIK CIR
AUSTIN, TX 787466301

BREECH F 016 DHC REG DEPT

MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298

BREECH F 016 DHC REG DEPT

MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298

BREECH F 016 DHC REG DEPT

MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298

BREECH F 016 DHC REG DEPT

TEXAS CRUDE OIL- JOINT VENTURE
P O BOX 122389
FORT WORTH, TX 761212389
BREECH F 016 DHC REG DEPT

XTO ENERGY PARTNERS
OPERATING, LLC
810 HOUSTON STREET
FORT WORTH, TX 761026298
BREECH F 016 DHC REG DEPT

ZAP MINERALS LP
1616 SOUTH VOSS RD STE 875
HOUSTON, TX 770570000
BREECH F 016 DHC REG DEPT

TEXAS CRUDE OIL- JOINT VENTURE
P O BOX 122389
FORT WORTH, TX 761212389
BREECH F 016 DHC REG DEPT

XTO ENERGY PARTNERS
OPERATING, LLC
810 HOUSTON STREET
FORT WORTH, TX 761026298
BREECH F 016 DHC REG DEPT

ZAP MINERALS LP
1616 SOUTH VOSS RD STE 875
HOUSTON, TX 770570000
BREECH F 016 DHC REG DEPT

TEXAS CRUDE OIL- JOINT VENTURE
P O BOX 122389
FORT WORTH, TX 761212389
BREECH F 016 DHC REG DEPT

XTO ENERGY PARTNERS
OPERATING, LLC
810 HOUSTON STREET
FORT WORTH, TX 761026298
BREECH F 016 DHC REG DEPT

ZAP MINERALS LP
1616 SOUTH VOSS RD STE 875
HOUSTON, TX 770570000
BREECH F 016 DHC REG DEPT