

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

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



XTO

Salty Dog SWD #2

ADMINISTRATIVE APPLICATION CHECKLIST

30-045-30812

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]

Fed

[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 _____

SWD-811
SWD-811-A

2388'-3475'

~~1300 psi
= 0.5 grad
?~~

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

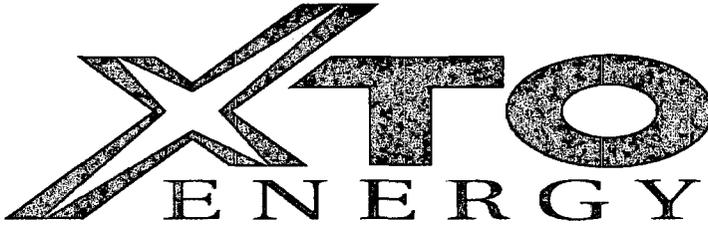
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, 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.

Diane Jaramillo		Supervisor, Accounting/Engineering Techs	5-11-10
Print or Type Name	Signature	Title	Date
		Diane_Jaramillo@xtoenergy.com	
		e-mail Address	



RECEIVED OCD

2010 JUN 10 A 11: 22

382 Road 3100 Aztec, New Mexico 87410

Phone: (505) 333-3100 FAX: (505) 333-3280

May 13, 2010

State of New Mexico
Oil Conservation Division
Mr. William Jones
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Salt Water Disposal Application
Salty Dog No. 2 Well
Section 5, Township 29 North, Range 14 West, NMPM
San Juan County, New Mexico

Dear Mr. Jones:

XTO Energy Inc. is requesting approval to add additional Mesaverde perforations from 3,252' to 3,475'. The additional perforations will significantly increase the daily disposal capacity of this well. Richardson Operating Company was previously authorized to inject from 2,200' to 3,580', as per Administrative Order SWD-811, dated September 13, 2001. Enclosed please find one original and one copy of the complete Salt Water Disposal Application. A copy has been furnished to the Aztec OCD Office and the Farmington BLM Office.

This well was completed in the Blanco Mesaverde field on January 6, 2002. XTO owns the surface where this well is located.

There is only one well which penetrates the injection zone within one half mile of the Salty Dog No. 2 location. The plugged and abandoned Pubco-Carr Russell Federal No. 1 well is located in the NE/4NE/4 of Section 8, T29N, R14W. The five wells within the area of review are Fruitland Coal wells operated by XTO Energy. Pertinent well records are attached.

Information from the State Engineer's Office in Aztec indicates there are no shallow fresh water wells within one half mile of the Salty Dog No. 2 location.

Should you require further documentation please feel free to call my office @ 505-333-3100 or e-mail Diane_Jaramillo@xtoenergy.com and I will be happy to furnish any additional information.

Mr. Alexander Bridge is the engineer in charge should you need clarification of engineering data and is available at the number listed above.

Yours truly,

A handwritten signature in black ink, appearing to read 'Diane Jaramillo', is written over a printed name.

Diane Jaramillo
Supervisor, Engineering Techs/Accounting

CC: Aztec OCD
BLM - Farmington

List of Exhibits to Application for Authorization to Inject C-108:

- Exhibit 1 Injection Well Data Sheet
- Exhibit 2 Well and Lease Plat – 2 mile radius
 - Each track listed contained in the one-half mile AOR and the owners affected in each track
 - Tabulation of data on all wells within the AOR
- Exhibit 3 Operations Plan
- Exhibit 4 Wellbore Diagram
- Exhibit 5 Survey Plat and Well Pad
- Exhibit 6 Water Analysis: Mesaverde
- Exhibit 7 Water Analysis: Fruitland Coal and Pictured Cliffs
- Exhibit 8 Notification to Conoco/Phillips
 - Notification to Western Gas Resources
 - Notification to Bureau of Land Management
- Exhibit 9 Affidavit of Publication from the Daily Times newspaper
- Exhibit 10 Well Records – Pubco-Carr Russell Federal No.1

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance Disposal _____ Storage
Application qualifies for administrative approval? _____ Yes _____ No
- II. OPERATOR: XTO Energy, Inc.
ADDRESS: 382 CR 3100, Aztec, NM 87410
CONTACT PARTY: Alexander Bridge PHONE: 505-333-3100
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? _____ Yes No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Alexander Bridge TITLE: Production Engineer

SIGNATURE: Alexander C. Bridge DATE: 05/13/2010

E-MAIL ADDRESS: Alexander_Bridge@xtoenergy.com

- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

OPERATOR: XTO Energy, Inc.

WELL NAME & NUMBER: 1495' FSL & 1477' FEL

WELL LOCATION: FOOTAGE LOCATION UNIT LETTER J SECTION 5 TOWNSHIP 29N RANGE 14W

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing

Hole Size: 9 3/4 Casing Size: 8 5/8, 24#

Cemented with: 110 sx. or 130 ft³

Top of Cement: Surface Method Determined: _____

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. or _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 6 3/4 Casing Size: 5 1/2, 15.5#

Cemented with: 165 + 177 sx. or 549 ft³

Top of Cement: 970' Method Determined: CBL

Total Depth: 3,616'

Injection Interval

Current MV perfs: 2,388' - 3,096' To perforated

Proposed MV perfs: 2,388' - 3,475' To perforated

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8", 6.4#, J-55 Lining Material: None

Type of Packer: 5 1/2" x 2 7/8"

Packer Setting Depth: 2,310'

Other Type of Tubing/Casing Seal (if applicable): N/A

Additional Data

1. Is this a new well drilled for injection? _____ Yes No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: Mesaverde

3. Name of Field or Pool (if applicable): Blanco Mesaverde

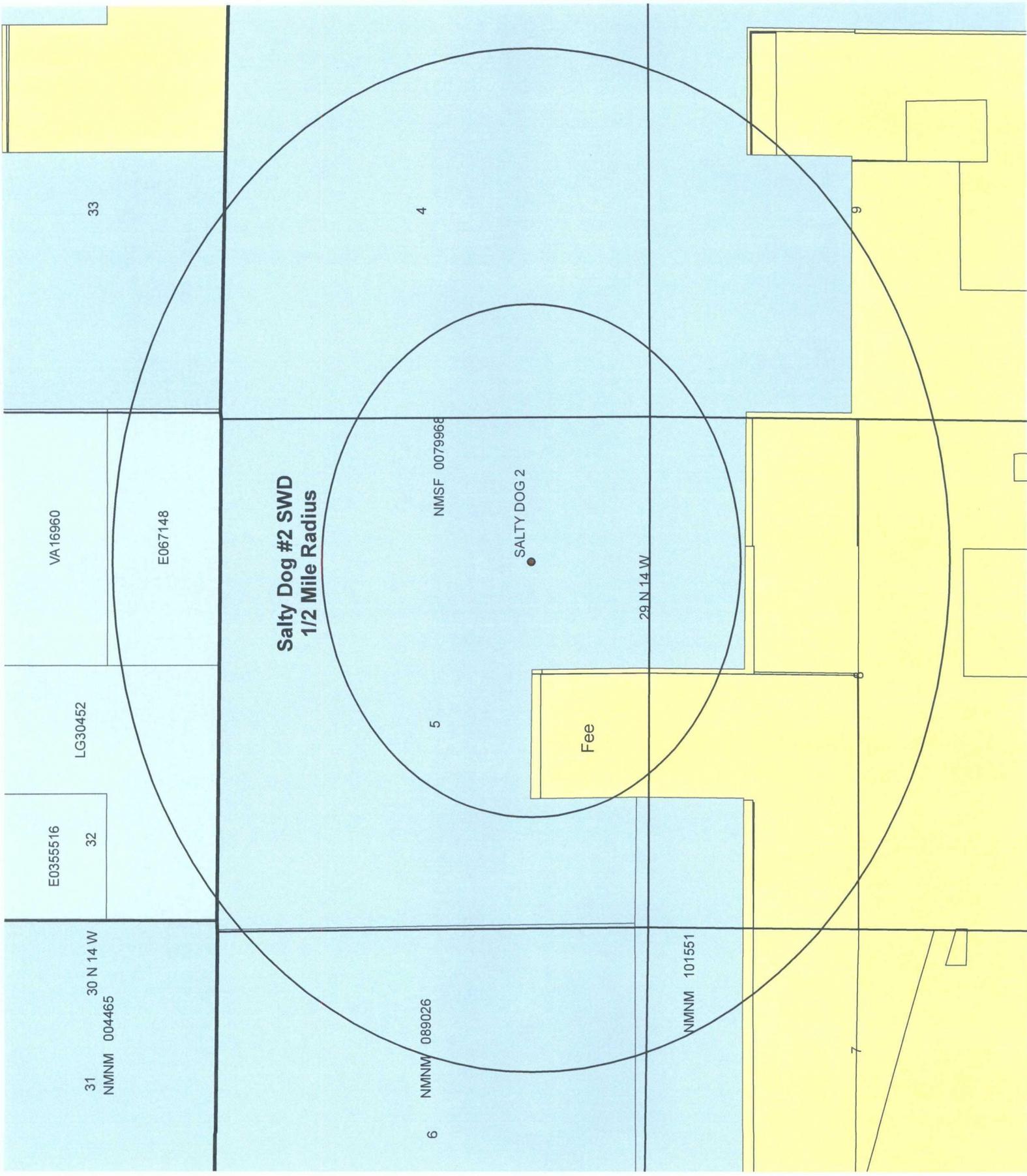
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. Yes

Squeeze holes @ 915'. Squeezed with 222 sx cement 01/11/02. Circ cement to surface.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: _____

Pictured Cliffs 800'

Gallup 5000'



Salty Dog #2 SWD
1/2 Mile Radius

SALTY DOG 2

Fee

VA16960

E067148

E0355516

32

30 N 14 W

31 NIMNM 004465

6 NIMNM 089026

NIMNM 101551

29 N 14 W

NMSF 0079968

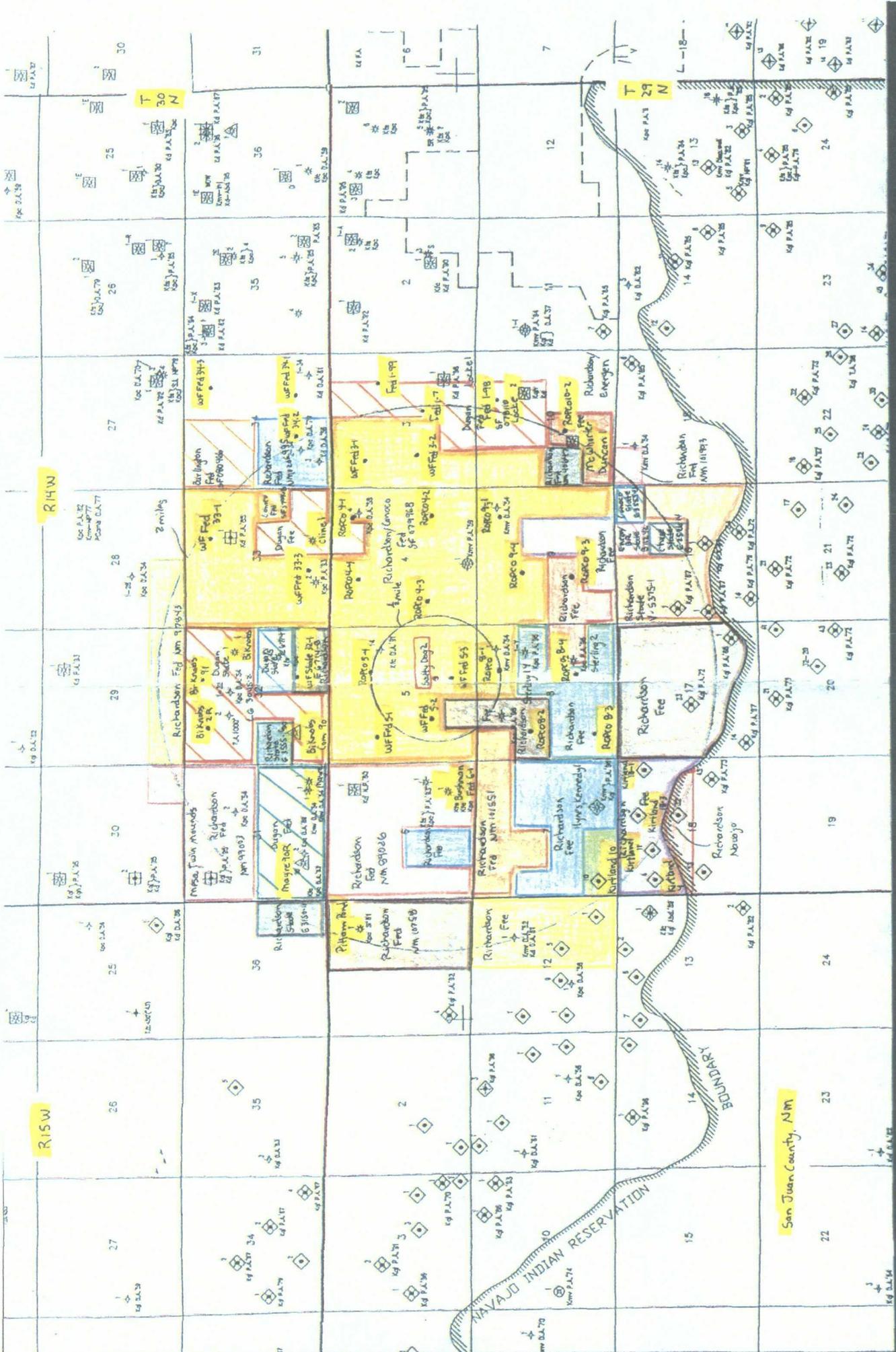
5

33

4

9

7



R 14 W

R 15 W

T 30 N

T 29 N

San Juan County, NM

NAVAJO INDIAN RESERVATION

BOUNDARY

Map details and labels:

- Grid:** Townships T 29 N, T 30 N; Ranges R 14 W, R 15 W.
- Geographical Features:** Navajo Indian Reservation, San Juan County, NM boundary.
- Parcel Owners:** Richardson, Rocco, W.F. Fed, W.F. Fed 32, W.F. Fed 33, W.F. Fed 34, W.F. Fed 35, W.F. Fed 36, W.F. Fed 37, W.F. Fed 38, W.F. Fed 39, W.F. Fed 40, W.F. Fed 41, W.F. Fed 42, W.F. Fed 43, W.F. Fed 44, W.F. Fed 45, W.F. Fed 46, W.F. Fed 47, W.F. Fed 48, W.F. Fed 49, W.F. Fed 50, W.F. Fed 51, W.F. Fed 52, W.F. Fed 53, W.F. Fed 54, W.F. Fed 55, W.F. Fed 56, W.F. Fed 57, W.F. Fed 58, W.F. Fed 59, W.F. Fed 60, W.F. Fed 61, W.F. Fed 62, W.F. Fed 63, W.F. Fed 64, W.F. Fed 65, W.F. Fed 66, W.F. Fed 67, W.F. Fed 68, W.F. Fed 69, W.F. Fed 70, W.F. Fed 71, W.F. Fed 72, W.F. Fed 73, W.F. Fed 74, W.F. Fed 75, W.F. Fed 76, W.F. Fed 77, W.F. Fed 78, W.F. Fed 79, W.F. Fed 80, W.F. Fed 81, W.F. Fed 82, W.F. Fed 83, W.F. Fed 84, W.F. Fed 85, W.F. Fed 86, W.F. Fed 87, W.F. Fed 88, W.F. Fed 89, W.F. Fed 90, W.F. Fed 91, W.F. Fed 92, W.F. Fed 93, W.F. Fed 94, W.F. Fed 95, W.F. Fed 96, W.F. Fed 97, W.F. Fed 98, W.F. Fed 99, W.F. Fed 100.
- Other Labels:** 2 miles, 1/2 mile, 1/4 mile, 1/8 mile, 1/16 mile, 1/32 mile, 1/64 mile, 1/128 mile, 1/256 mile, 1/512 mile, 1/1024 mile, 1/2048 mile, 1/4096 mile, 1/8192 mile, 1/16384 mile, 1/32768 mile, 1/65536 mile, 1/131072 mile, 1/262144 mile, 1/524288 mile, 1/1048576 mile, 1/2097152 mile, 1/4194304 mile, 1/8388608 mile, 1/16777216 mile, 1/33554432 mile, 1/67108864 mile, 1/134217728 mile, 1/268435456 mile, 1/536870912 mile, 1/1073741824 mile, 1/2147483648 mile, 1/4294967296 mile, 1/8589934592 mile, 1/17179869184 mile, 1/34359738368 mile, 1/68719476736 mile, 1/137438953472 mile, 1/274877906944 mile, 1/549755813888 mile, 1/1099511627776 mile, 1/2199023255552 mile, 1/4398046511104 mile, 1/8796093022208 mile, 1/17592186044416 mile, 1/35184372088832 mile, 1/70368744177664 mile, 1/140737488355328 mile, 1/281474976710656 mile, 1/562949953421312 mile, 1/1125899906842624 mile, 1/2251799813685248 mile, 1/4503599627370496 mile, 1/9007199254740992 mile, 1/18014398509481984 mile, 1/36028797018963968 mile, 1/72057594037927936 mile, 1/144115188075855872 mile, 1/288230376151711744 mile, 1/576460752303423488 mile, 1/1152921504606846976 mile, 1/2305843009213693952 mile, 1/4611686018427387904 mile, 1/9223372036854775808 mile, 1/18446744073709551616 mile, 1/36893488147419103232 mile, 1/73786976294838206464 mile, 1/147573952589676412928 mile, 1/295147905179352825856 mile, 1/590295810358705651712 mile, 1/1180591620717411303424 mile, 1/2361183241434822606848 mile, 1/4722366482869645213696 mile, 1/9444732965739290427392 mile, 1/18889465134678580854784 mile, 1/37778930269357161709568 mile, 1/75557860538714323419136 mile, 1/151115721077428646838272 mile, 1/302231442154857293676544 mile, 1/604462884309714587353088 mile, 1/1208925768619429174706176 mile, 1/2417851537238858349412352 mile, 1/4835703074477716698824704 mile, 1/9671406148955433397649408 mile, 1/19342812297910866795298816 mile, 1/38685624595821733590597632 mile, 1/77371249191643467181195264 mile, 1/154742498383286934362390528 mile, 1/309484996766573868724781056 mile, 1/618969993533147737449562112 mile, 1/1237939987066295474899124224 mile, 1/2475879974132590949798248448 mile, 1/4951759948265181899596496896 mile, 1/9903519896530363799192993792 mile, 1/19807039793060727598385987584 mile, 1/39614079586121455196771975168 mile, 1/79228159172242910393543950336 mile, 1/158456318344445807387087900704 mile, 1/316912636688891614774175801408 mile, 1/633825273377783229548351602816 mile, 1/1267650546755566459096703205632 mile, 1/2535301093511132918193406411264 mile, 1/5070602187022265836386812822528 mile, 1/10141204374044531672773625645056 mile, 1/20282408748089063345547251290112 mile, 1/40564817496178126691094502580224 mile, 1/81129634992356253382189005160448 mile, 1/162259269984712506764378010320896 mile, 1/324518539969425013528756020641792 mile, 1/649037079938850027057512041283584 mile, 1/1298074159877700054115024082567168 mile, 1/2596148319755400108230048165134336 mile, 1/5192296639510800216460096330268672 mile, 1/10384593279021600432920192660537344 mile, 1/20769186558043200865840385321074688 mile, 1/41538373116086401731680770642149376 mile, 1/83076746232172803463361541284298752 mile, 1/16615349244434560692672308256559744 mile, 1/33230698488869121385344616513119488 mile, 1/66461396977738242770689233026238976 mile, 1/132922793955476485541378466052477952 mile, 1/265845587910952971082756932104955904 mile, 1/531691175821905942165513864209911808 mile, 1/1063382351643811884331027728419823616 mile, 1/2126764703287623768662055456839647232 mile, 1/4253529406575247537324110913679294464 mile, 1/8507058813150495074648221827358588928 mile, 1/17014117626300990149296443654717177856 mile, 1/34028235252601980298592887309434355712 mile, 1/68056470505203960597185774618868711424 mile, 1/136112941010407921194371549237737422848 mile, 1/272225882020815842388743098475474845696 mile, 1/544451764041631684777486196950949691392 mile, 1/1088903528083263369554972393901899382784 mile, 1/2177807056166526739109944787803798765568 mile, 1/4355614112333053478219889575607597531136 mile, 1/8711228224666106956439779151215195062272 mile, 1/17422456449332213912879558302430390124544 mile, 1/34844912898664427825759116604860780249088 mile, 1/69689825797328855651518233209721560498176 mile, 1/139379651594657711303036466419443120996352 mile, 1/278759303189315422606072932838886241992704 mile, 1/557518606378630845212145865677772483955408 mile, 1/1115037212757261690424291731355544967910112 mile, 1/2230074425514523380848583462711089935820224 mile, 1/446014885102904676169716692542217987404448 mile, 1/892029770205809352339433385084435748889896 mile, 1/1784059440411618704678866770168871497799792 mile, 1/3568118880823237409357733540337742955599584 mile, 1/7136237761646474818715467080675485911199168 mile, 1/14272475523292949637430934161350971822398336 mile, 1/28544951046585899274861868322701943644796672 mile, 1/57089902093171798549723736645403887289593344 mile, 1/11417980418634359709944747329087777457918688 mile, 1/22835960837268719419889494658175554915837376 mile, 1/45671921674537438839778989316351109311674752 mile, 1/91343843349074877679557978632702218623349504 mile, 1/182687686698149755359115957265404437246699008 mile, 1/365375373396299510718231914530808874493398016 mile, 1/73075074679259902143646382906161774898679632 mile, 1/146150149358519804287292765812323549797359264 mile, 1/292300298717039608574585531624647099594718528 mile, 1/584600597434079217149171063249294199189437056 mile, 1/1169201194868158434298342126498588398378874112 mile, 1/2338402389736316868596684252997176796757748224 mile, 1/4676804779472633737193368505994353593515496448 mile, 1/9353609558945267474386737011988707187030992896 mile, 1/18707219117890534948773474023977414340601985792 mile, 1/37414438235781069897546948047954828681203971584 mile, 1/74828876471562139795093896095909657362407943168 mile, 1/149657752943124279590187792191819314724815886336 mile, 1/299315505886248559180375584383638629449631772672 mile, 1/598631011772497118360751168767277258899263545344 mile, 1/1197262023544994376721502337534554577998506906688 mile, 1/2394524047089988753443004675069109155599013813336 mile, 1/4789048094179977506886009350138218111198027626672 mile, 1/9578096188359955013772018700276436222396055253344 mile, 1/19156192376719910027544037400552872444792110506688 mile, 1/38312384753439820055088074801105744889584210013376 mile, 1/76624769506879640110176149602211487779168420026752 mile, 1/153249539013759280220352299204422975558336840053504 mile, 1/306499078027518560440704598408845951116673680107008 mile, 1/612998156055037120881409196817691902233347360214016 mile, 1/1225996312110074241762818393635383804466687320428032 mile, 1/2451992624220148483525636787270767608933374640856064 mile, 1/4903985248440296967051273574541535217866749281712128 mile, 1/9807970496880593934102547149083070435733498563424256 mile, 1/19615940993761187868205094298166140711466997126848512 mile, 1/39231881987522375736410188596332281422933954253697024 mile, 1/78463763975044751472820377192664562845867908507394048 mile, 1/156927527950089502945640754385329125691735817014788096 mile, 1/313855055900179005891281508770658251383476334029576192 mile, 1/627710111800358011782563017541316502766952668059152384 mile, 1/1255420223600716023565126035082633005533905336118304768 mile, 1/2510840447201432047130252070165266011066810672236609536 mile, 1/5021680894402864094260504140330532022133621344473219072 mile, 1/10043361788805728188521008280661064044267246888948480 mile, 1/200867235776114563770420165613221280885349377778976 mile, 1/401734471552229127540840331226442561770698755557952 mile, 1/803468943104458255081680662452885123541397511115904 mile, 1/1606937886208916510163361324905770247082795022231808 mile, 1/3213875772417833020326722649811540494165590044463616 mile, 1/6427751544835666040653445299623080988331180088927232 mile, 1/12855503089671332081306890599246161976662360177854464 mile, 1/25711006179342664162613781198492323953324720355708928 mile, 1/51422012358685328325227562396984647906649440711417856 mile, 1/10284402411737065665045512479396929581329888142383552 mile, 1/20568804823474131330091024958793859162659776284767104 mile, 1/41137609646948262660182049917587718325319552569534208 mile, 1/82275219293896525320364099835175436650639105139068416 mile, 1/164550437587793050640728199670350873301278202278136832 mile, 1/329100875175586101281456399340701746602556404556273664 mile, 1/658201750351172202562912798681403493205112809112547328 mile, 1/1316403500702344405125825597362806986410225618225094752 mile, 1/2632807001404688810251651194725613972820453236450189504 mile, 1/5265614002809377620503302389451227945640906472900379008 mile, 1/10531228005618755241006604778902455891281812945800758016 mile, 1/21062456011237510482013209557804911782563625891601516032 mile, 1/42124912022475020964026419115609823565127251783203024064 mile, 1/84249824044950041928052838231219647130254503566406048128 mile, 1/168499648089900083856105676462494274260509007132812096256 mile, 1/336999296179800167712211352924988548521018014265624192512 mile, 1/673998592359600335424422705849977097042036028531248385024 mile, 1/1347997184719200670848845411699544194084072057062496770048 mile, 1/2695994369438401341697690823399088388168144114124993440096 mile, 1/539198873887680268339538164679817677633628822824998688192 mile, 1/1078397747775360536679076329359635355267257645649997376384 mile, 1/2156795495550721073358152658719270710534515291299994746768 mile, 1/4313590991101442146716305317438541421069030582599989493536 mile, 1/8627181982202884293432610634877082842138061165199978987072 mile, 1/1725436396440576858686522126975416564427612233039997794144 mile, 1/3450872792881153717373044253950833128855224466079997548288 mile, 1/6901745585762307434746088507901666257710458932159997096576 mile, 1/13803491171524614873492177015803332555420917644319997193152 mile, 1/27606982343049229746984354031606665110841835288639997386304 mile, 1/55213964686098459493968708063213330221683670577279997772608 mile, 1/110427929372196918987937416126426660443367341154559997445216 mile, 1/220855858744393837975874832252853320886734682309119997890432 mile, 1/441711717488787675951749664505706641773469364618239997780864 mile, 1/883423434977575351903499329011413283546939729236479997561728 mile, 1/1766846879955150703806996588022826567093879458472959997123456 mile, 1/3533693759910301407613993176045653134187758916945919997247112 mile, 1/70673875198206028152279863520913062683755178338918391999748224 mile, 1/141347750396412056304557727041826125367510356677836783999796448 mile, 1/282695500792824112609115454083652250735020713355673567999712896 mile, 1/565391001585648225218230908167304501470041426711347135999725792 mile, 1/1130782003171296450436461816334609002940082853422694271999751584 mile, 1/2261564006342592900872923632669218005880165706845388543999703168 mile, 1/4523128012685185801745847265338436011760331413690777087999706336 mile, 1/9046256025370371603491694530676872023520662827381554175999712672 mile, 1/18092512050740743206983389061353744047041325654763108351999725344 mile, 1/36185024101481486413966778122707488094082651309526216703999750688 mile, 1/72370048202962972827933556245414976188165302619052433407999701376 mile, 1/144740096405925945655867112490829952376330605238104866815999702752 mile, 1/289480192811851891311734224981659904752661210476209733631999705504 mile, 1/578960385623703782623468449963319809505322420952419467263999711008 mile, 1/1157920771247407565246936999926639619010644841904838934527999722016 mile, 1/2315841542494815130493873999853279238021297683809677869055999744032 mile, 1/4631683084989630260987747999706558476042595367619355738111999788064 mile, 1/9263366169979260521975495999413116920085190735238711476223999776128 mile, 1/1852673233995852104395099199882623384017021470477742295247999752256 mile, 1/3705346467991704208790198399765246768034042940955484590495999704512 mile, 1/7410692935983408417580396799530493536068085881910969180991999709024 mile, 1/14821385871966816835160793599060987072136171763821938361983999718048 mile, 1/29642771743933633670321587198121974144272343527643876723967999736096 mile, 1/59285543487867267340643174396243948288446868555287753447935999772192 mile, 1/118571086975734534681286348792487896576937377110575506895871999744384 mile, 1/237142173951469069362572697584975793153874754221151013791743999788768 mile, 1/4

DETERMINATION - APPROVAL - CERTIFICATION

Pursuant to the authority vested in the Secretary of the Interior, under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer, of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest.
- B. Approve the attached communitization agreement covering: SW $\frac{1}{4}$ of Section 5, T. 29 N., R. 14 W., San Juan County, New Mexico, as to natural gas and associated liquid hydrocarbons producible from the Pictured Cliffs formation. This approval will become invalid *ab initio* by the Authorized officer should then public interest requirements under section 3105.2-3(e) not be met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.
- D. Approval of this agreement does not warrant or certify that the applicant and other working interest owners thereof hold legal or equitable title to the leases which are committed hereto.

Approved: January 4, 2001


Lucy Bee
Legal Instruments Examiner
Petroleum Management Team

Effective: March 4, 2000

Contract No.: Com. Agr. **NMNM 103035**

COMMUNITIZATION AGREEMENT

CONTRACT NO. NMM 103035

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof is by and between the parties subscribing, ratifying or consenting hereto, such parties being hereinafter referred to as "parties hereto."

2013 22
070 FARMINGTON, NM

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
Section 5: SW/4
San Juan County, New Mexico

containing 160.00 acres, more or less, and this agreement shall include only the Pictured Cliffs formation underlying said lands and the natural gas and associated liquid hydrocarbons, hereinafter referred to as "communitized substances", producible from such formations.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit B, designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area, and four executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State or fee land included within the CA area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereinafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is MAR - 4 2000, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect as to the Pictured Cliffs formation for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2 year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. **Nondiscrimination:** In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

RICHARDSON OPERATING COMPANY

Cathleen Colby
Cathleen Colby, Attorney-in-Fact

Executed January 26, 2000

RICHARDSON PRODUCTION COMPANY

Cathleen Colby
Cathleen Colby, Attorney-in-Fact

Executed January 26, 2000

CONOCO, INC.

Terri G. King
Terri G. King, Attorney-in-Fact
WWT

Executed 8 Feb, 2000

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 26 day of January, 2000, by Cathleen Colby, as Attorney-in-Fact on behalf of RICHARDSON PRODUCTION COMPANY and RICHARDSON OPERATING COMPANY.

My commission expires:
8-24-02

Urbis O'Shea
Notary Public

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 7th day of February, 2000, by Terri G. King, the Attorney-in-Fact of CONOCO, INC., a Delaware corporation, on behalf of said corporation.

My commission expires:

Vicki R. Westby
Notary Public

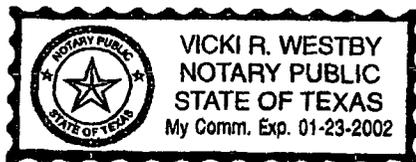


EXHIBIT A

Plat of communitized area covering SW/4 Section 5, Township 29 North, Range 14 West, NMPM, Pictured Cliffs Field, San Juan County, New Mexico.

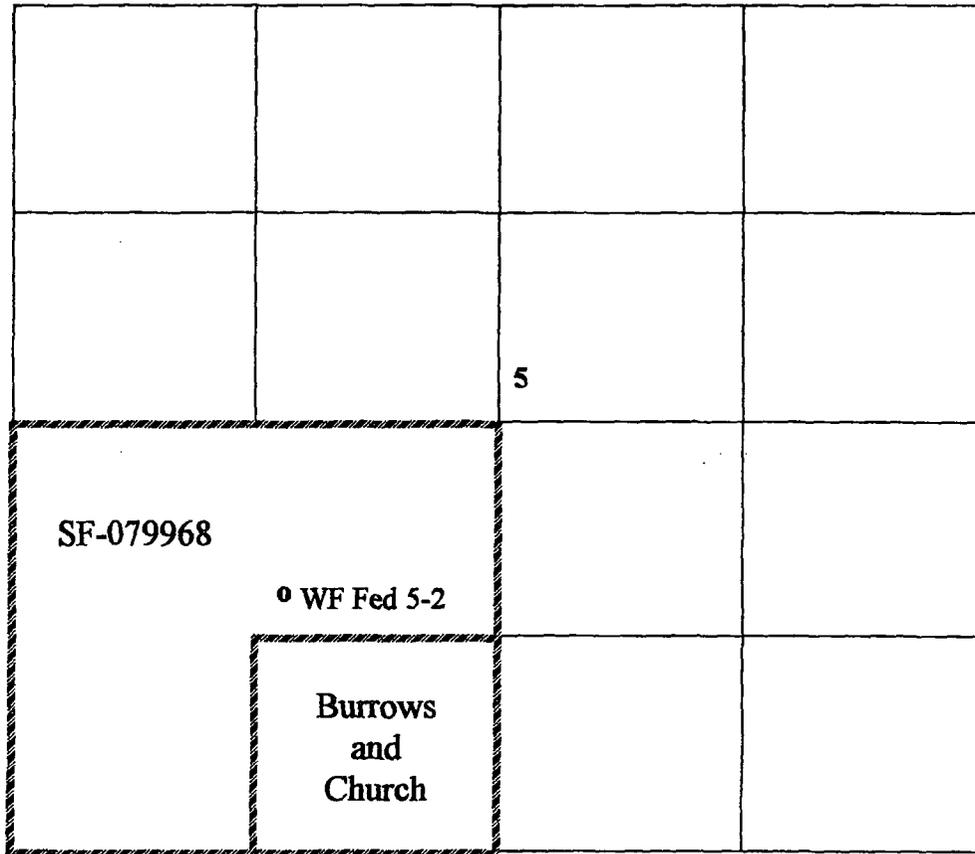


EXHIBIT B

To Communitization Agreement dated _____, embracing:

Township 29 North, Range 14 West, NMPM
Section 5: SW/4
San Juan County, New Mexico

Operator of Communitized Area: Richardson Operating Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1.

Lease Serial No.: USA NMSF-079968 47313000
Lease Date: July 1, 1951
Lease Term: 5 years
Lessor: United States of America
Original Lessee: Mrs. Emma T. Russell
Present Lessee: 100% Conoco, Inc.
Description of Land Committed: Township 29 North, Range 14 West, NMPM
Section 5: N/2SW/4, SW/4SW/4
Number of Acres: 120.00 gross, 120.00 net
Royalty Rate: 12.5%
Name and Percent ORRI Owners: 2.00% Conoco, Inc.
2.25% Hanson-McBride Petroleum Company
2.25% Paul Slayton
.25% John N. Eddy
.25% Nathan C. Greer
Name and Percent WI Owners: 100% Richardson Production Company

Tract No. 2

Lease Date: April 7, 1997
Lease Term: 5 years

Lessor: Eva Thompson Burrows, a widow 47310 001
Original Lessee: Richardson Production Company
Present Lessee: 100% Richardson Production Company
Description of Land Committed: Township 29 North, Range 14 West, NMPM
Section 5: SE/4SW/4
Number of Acres: 40.00 gross, 20.00 net
Royalty Rate: 12.5%
Name and Percent ORRI Owners: None
Name and Percent WI Owners: 100% Richardson Production Company

Tract No. 3

Lease Date: April 4, 1997
Lease Term: 5 years
Lessor: Anne Burrows Church, a widow 47310 002
Original Lessee: Richardson Production Company
Present Lessee: 100% Richardson Production Company
Description of Land Committed: Township 29 North, Range 14 West, NMPM
Section 5: SE/4SW/4
Number of Acres: 40.00 gross, 20.00 net
Royalty Rate: 12.5%
Name and Percent ORRI Owners: None
Name and Percent WI Owners: 100% Richardson Production Company

RECAPITULATION

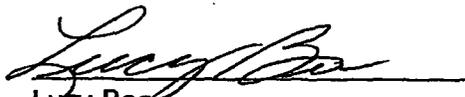
<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	120.00	75.00%
2	20.00	12.50%
3	<u>20.00</u>	<u>12.50%</u>
	160.00	100.00%

DETERMINATION - APPROVAL - CERTIFICATION

Pursuant to the authority vested in the Secretary of the Interior, under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer, of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest.
- B. Approve the attached communitization agreement covering: NW¼ of Section 8, T. 29 N., R. 14 W., San Juan County, New Mexico, as to natural gas and associated liquid hydrocarbons producible from the Pictured Cliffs formation. This approval will become invalid *ab initio* by the Authorized officer should then public interest requirements under section 3105.2-3(e) not be met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.
- D. Approval of this agreement does not warrant or certify that the applicant and other working interest owners thereof hold legal or equitable title to the leases which are committed hereto.

Approved: November 8, 2002


Lucy Bee
Legal Instruments Examiner
Petroleum Management Team

Effective: September 26, 2001

Contract No.: Com. Agr. **NMNM 104912**

39 685 001

COMMUNITIZATION AGREEMENT

CONTRACT NO. _____

RECEIVED

APR 21 1971

070 FARMINGTON, N.M.

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof, is by and between the parties subscribing, ratifying or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
 Section 8: NW/4
 San Juan County, New Mexico

containing 160.00 acres, more or less, and this agreement shall include only the Pictured Cliffs formation underlying said lands and the natural gas and associated liquid hydrocarbons, hereinafter referred to as "communitized substances", producible from such formations.

2. Attached hereto, and made a part of this agreement for all purposes, are Exhibit A and B, designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

OPERATOR

3. All matters of production shall be governed by the operator hereafter and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area, and four executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State or fee land included within the CA area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereinafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is SEP 26 2001, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect as to the Pictured Cliffs formation for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2 year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

14. This agreement may be executed in any number of countries, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

RICHARDSON OPERATING COMPANY

Cathleen Colby *mc*
Cathleen Colby, Attorney-in-Fact

Executed October 3, 2001

RICHARDSON PRODUCTION COMPANY

Cathleen Colby *mc*
Cathleen Colby, Attorney-in-Fact

Executed October 3, 2001

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 3rd day of October, 2001 by Cathleen Colby, as Attorney-in-Fact on behalf of RICHARDSON PRODUCTION COMPANY and RICHARDSON OPERATING COMPANY.

My commission expires:
10-31-02

Dawn Marie Hugler
Notary Public

EXHIBIT A

Plat of communitized area covering NW/4 Section 8, Township 29 North, Range 14 West,
NMPM, Pictured Cliffs Field, San Juan County, New Mexico.

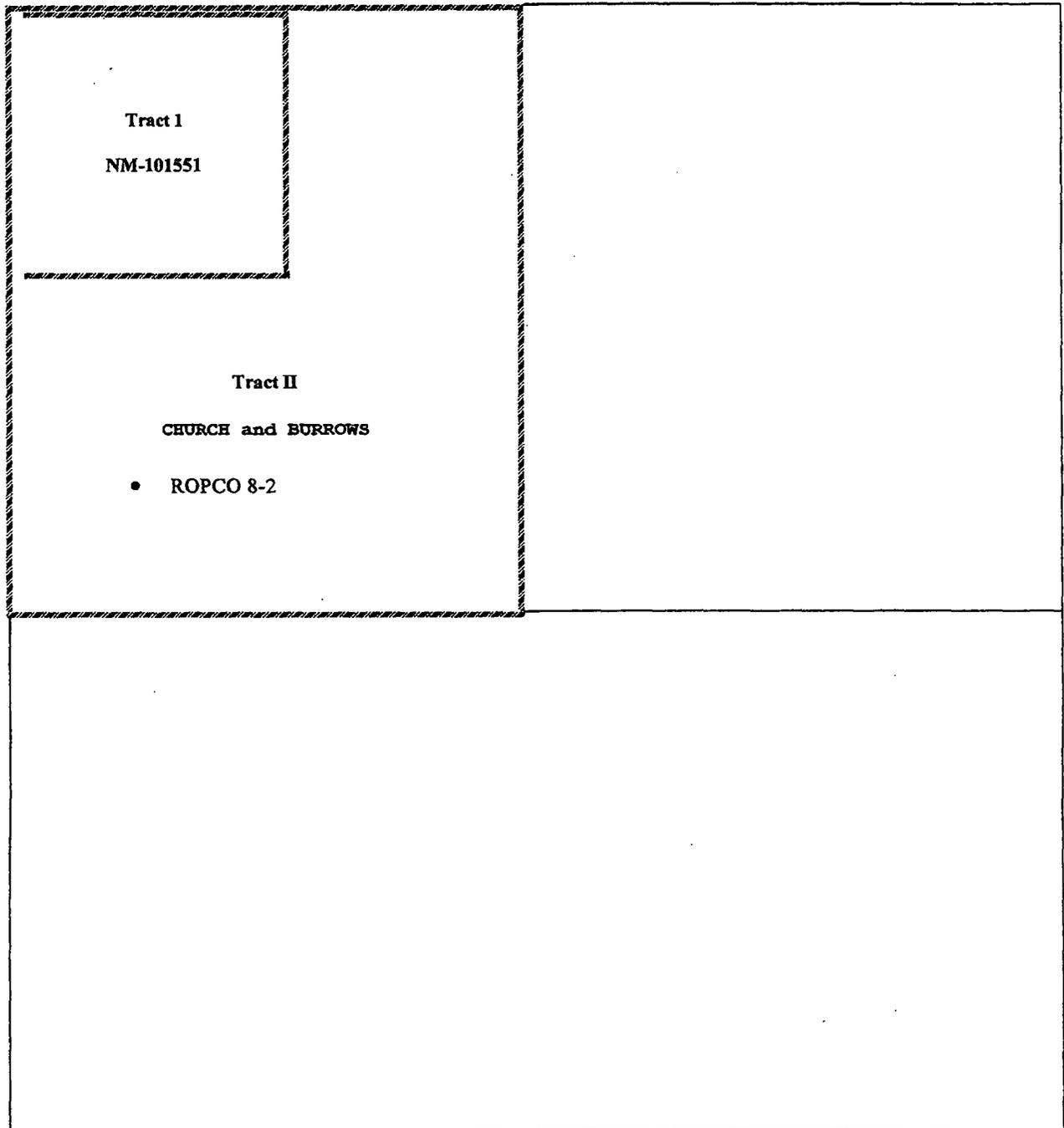


EXHIBIT B

To Communitization Agreement dated _____, embracing:

Township 29 North, Range 14 West, NMPM
Section 8: NW/4
San Juan County, New Mexico

Operator of Communitized Area: Richardson Operating Company

DESCRIPTION OF LEASES COMMITTED

Tract No. I

Lease Serial No.: USA NM 101551 - 47325 000
Lease Date: December 1, 1998
Lease Term: 10 years
Lessor: United States of America ✓
Present Lessee: 100% Richardson Production Company ✓
Description of Land Committed: Township 29 North, Range 14 West, NMPM
Section 8: NW/4NW/4 ✓
Number of Acres: 40.00 gross, 40.00 net ✓
Royalty Rate: 12.5%
Name and Percent ORRI Owners: None
Name and Percent WI Owners: 100% Richardson Production Company ✓

Tract No. II

Lease Serial No.: Fee 47317 001
Lease Date: April 14, 1998
Lease Term: 5 years
Lessor: Anne Burrows Church, a widow (50%)

Present Lessee: 100% Richardson Production Company ✓
Description of Land Committed: Township 29 North, Range 14 West, NMPM ✓
Section 8: S/2NW/4, NE/4NW/4
Number of Acres: 120.00 gross, 60.000 net ✓
Royalty Rate: 12.5%
Name and Percent ORRI Owners: NONE
Name and Percent WI Owners: 100% Richardson Production Company ✓
Pooling Clause: Lease contains a provision authorizing pooling in accordance with the requirement of the agreement. ✓
Lease Serial No.: Fee ✓
Lease Date: April 14, 1998 47317 002
Lease Term: 5 years
Lessor: Eva Thompson Burrows, a widow (50%)
Present Lessee: 100% Richardson Production Company ✓
Description of Land Committed: Township 29 North, Range 14 West, NMPM ✓
Section 8: S/2NW/4, NE/4NW/4 ✓
Number of Acres: 120.00 gross, 60.000 net ✓
Royalty Rate: 12.5%
Name and Percent ORRI Owners: NONE
Name and Percent WI Owners: 100% Richardson Production Company ✓
Pooling Clause: Lease contains a provision authorizing pooling in accordance with the requirement of the agreement.

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	40.000	25.000%
2	<u>120.000</u>	<u>75.000%</u>
	160.00	100.000%

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 02/19/09 02:12 PM

Page 1 of 3

01 02-25-1920;041STAT0437;30USC226
Case Type 311111: O&G LSE NONCOMP PUB LAND
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
2,523.720

Serial Number
NMSF-- 0 079968

Serial Number: NMSF-- 0 079968

Name & Address				Int Rel	% Interest
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 74005	LESSEE		100.00000000
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 74005	OPERATING RIGHTS		0.00000000
LANCE OIL & GAS CO	1099 18TH ST #1200	DENVER CO 802021955	OPERATING RIGHTS		0.00000000
RICHARDSON OPERATING CO	6400 S FIDDLER'S GREEN #1330	GREENWOOD VILLAGE CO 80111	OPERATING RIGHTS		0.00000000
XTO ENERGY INC	810 HOUSTON ST #2000	FT WORTH TX 761026298	OPERATING RIGHTS		0.00000000

Serial Number: NMSF-- 0 079968

Mer Twp	Rng	Sec	S	T	SNr	Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0290N	0140W	003	ALIC			S2NW,N2SW,SWSW;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0290N	0140W	003	LOT:			3,4;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0290N	0140W	004	ALIC			S2N2,S2;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0290N	0140W	004	LOT:			1,2,3,4;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0290N	0140W	005	ALIC			S2N2,N2SW,SWSW,SE;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0290N	0140W	005	LOT:			1-4;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0290N	0140W	008	ALIC			N2NE;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0290N	0140W	009	ALIC			N2NE,SENE,NW,E2SE;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0290N	0140W	010	ALIC			W2NW;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0300N	0140W	033	ALIC			N2,N2SW,NESE;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT
23	0300N	0140W	033	LOT:			3,4;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMSF-- 0 079968

23	0300N	0140W	720	FF			SENE REJ;	FARMINGTON FO	SAN JUAN	BUREAU OF LAND
----	-------	-------	-----	----	--	--	-----------	---------------	----------	----------------

Serial Number: NMSF-- 0 079968

Act Date	Code	Action	Action Remarks	Pending Office
01/21/1948	124	APLN RECD		
05/01/1951	237	LEASE ISSUED		
05/23/1951	126	APLN REJ/DEN IN PART		
07/01/1951	496	FUND CODE	05;145003	
07/01/1951	530	RLTY RATE - 12 1/2%		
07/01/1951	868	EFFECTIVE DATE		
11/27/1958	102	NOTICE SENT-PROD STATUS		
10/19/1963	909	BOND ACCEPTED	EFF 09/27/63;ES0085	
06/10/1970	246	LEASE COMMITTED TO CA	SW631;	
05/03/1976	246	LEASE COMMITTED TO CA	SRM1116;	
06/01/1984	246	LEASE COMMITTED TO CA	NMNM76324;	
04/23/1986	140	ASGN FILED	MESA PETRO/OPER LTD	
04/23/1986	932	TRF OPER RGTS FILED		
08/04/1986	139	ASGN APPROVED	EFF 05/01/86;	
08/04/1986	933	TRF OPER RGTS APPROVED	EFF 05/01/86;	
08/11/1986	963	CASE MICROFILMED	CNUM 103,398	AD
04/04/1988	974	AUTOMATED RECORD VERIF		GLC/CB
02/12/1990	575	APD FILED		
06/26/1990	575	APD FILED		

**NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM**

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 02/19/09 02:12 PM

Page 2 of 3

01 02-25-1920;041STAT0437;30USC226			Total Acres	Serial Number
Case Type 311111: O&G LSE NONCOMP PUB LAND			2,523.720	NMSF-- 0 079968
Commodity 459: OIL & GAS L				
Case Disposition: AUTHORIZED				
06/26/1990	575	APD FILED	(1)	
06/26/1990	575	APD FILED	(2)	
06/28/1990	575	APD FILED		
06/29/1990	575	APD FILED		
07/20/1990	575	APD FILED		
08/01/1990	576	APD APPROVED	30 FC FEDERAL COM	JC
08/01/1990	576	APD APPROVED	36 FC FEDERAL	JC
08/06/1990	575	APD FILED		
08/24/1990	576	APD APPROVED	31 FC FED COM	CLB
09/19/1990	576	APD APPROVED	14 FC FEDERAL	JC
05/16/1991	577	APD WDN/TERM/CANC	32 FC FED COM	CMG
05/16/1991	577	APD WDN/TERM/CANC	33 FC FED COM	CMG
05/16/1991	577	APD WDN/TERM/CANC	34 FC FED COM	CMG
05/16/1991	577	APD WDN/TERM/CANC	35 FC FED COM	CMG
05/20/1991	140	ASGN FILED	MESA OPER/CONOCO INC	
05/20/1991	932	TRF OPER RGTS FILED	MESA OPER/CONOCO INC	
07/26/1991	933	TRF OPER RGTS APPROVED	EFF 06/01/91;	
07/26/1991	974	AUTOMATED RECORD VERIF		SSP/AMR
07/31/1991	139	ASGN APPROVED	EFF 06/01/91;	
07/31/1991	974	AUTOMATED RECORD VERIF		ST/KRP
10/07/1991	577	APD WDN/TERM/CANC	30 FC FED COM	CLB
10/07/1991	577	APD WDN/TERM/CANC	31 FC FED COM	CLB
10/07/1991	577	APD WDN/TERM/CANC	36 FC FED	CLB
03/02/1992	932	TRF OPER RGTS FILED	MESA OPER LTD/CONOCO	
04/23/1992	933	TRF OPER RGTS APPROVED	EFF 04/01/92;	
04/23/1992	974	AUTOMATED RECORD VERIF		ST/JS
10/05/1992	646	MEMO OF LAST PROD-ACTUAL		
12/31/1995	235	EXTENDED	THRU 12/31/97;	
12/31/1995	522	CA TERMINATED	SW-631;	
02/08/1996	643	PRODUCTION DETERMINATION	/1/	
02/08/1996	647	MEMO OF LAST PROD-ALLOC	/1/NMNM74067;	
04/25/1996	643	PRODUCTION DETERMINATION	/1/	
04/25/1996	647	MEMO OF LAST PROD-ALLOC	/1/NMNM75930;	
05/01/1996	522	CA TERMINATED	NMNM75930;	
10/14/1997	932	TRF OPER RGTS FILED	CONOCO/RICHARDSON	
11/14/1997	933	TRF OPER RGTS APPROVED	EFF 11/01/97;	
11/14/1997	974	AUTOMATED RECORD VERIF	ANN	
03/04/2000	246	LEASE COMMITTED TO CA	NMNM103035	
03/09/2000	575	APD FILED	RICHARDSON OPER CO	
03/11/2000	246	LEASE COMMITTED TO CA	RICHARDSON OPER CO	
03/28/2000	575	APD FILED	RICHARDSON OPER CO	
05/22/2000	575	APD FILED	RICHARDSON OPER CO	
05/24/2000	576	APD APPROVED	1 WF FEDERAL 3	
05/24/2000	576	APD APPROVED	2 WF FEDERAL 3	
08/14/2000	575	APD FILED	/2/RICHARDSON OPER CO	
08/14/2000	575	APD FILED	RICHARDSON OPER CO	

**NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM**

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 02/19/09 02:12 PM

Page 3 of 3

01 02-25-1920;041STAT0437;30USC226

Case Type 311111: O&G LSE NONCOMP PUB LAND

**Total Acres
2,523.720**

**Serial Number
NMSF-- 0 079968**

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

08/15/2000	576	APD APPROVED	1 WF FEDERAL 5
09/02/2000	246	LEASE COMMITTED TO CA	NMNM104847
09/21/2000	575	APD FILED	RICHARDSON OPER CO
09/26/2000	575	APD FILED	RICHARDSON OPER CO
10/05/2000	575	APD FILED	RICHARDSON OPER CO
10/12/2000	575	APD FILED	RICHARDSON OPER CO
11/02/2000	575	APD FILED	RICHARDSON OPER CO
11/13/2000	575	APD FILED	RICHARDSON OPER CO
11/16/2000	576	APD APPROVED	3 WF FEDERAL 33
11/30/2000	575	APD FILED	RICHARDSON OPER CO(1;
11/30/2000	575	APD FILED	RICHARDSON OPER CO(2;
11/30/2000	575	APD FILED	RICHARDSON OPER CO(3;
01/08/2001	246	LEASE COMMITTED TO CA	NMNM103036
01/31/2001	576	APD APPROVED	4 ROPCO 5
06/13/2001	246	LEASE COMMITTED TO CA	NMNM103096
04/11/2002	246	LEASE COMMITTED TO CA	NMNM110461;
06/12/2002	246	LEASE COMMITTED TO CA	NMNM108218
01/16/2003	817	MERGER RECOGNIZED	CONOCO/CONOCOPHILLIPS
04/09/2003	650	HELD BY PROD - ACTUAL	
05/30/2003	643	PRODUCTION DETERMINATION	/1/
05/30/2003	658	MEMO OF 1ST PROD-ACTUAL	/1/SF079968;WF FED 1R
01/09/2004	246	LEASE COMMITTED TO CA	NMNM108219
01/09/2004	246	LEASE COMMITTED TO CA	NMNM108220
01/13/2004	246	LEASE COMMITTED TO CA	NMNM108224
01/26/2004	899	TRF OF ORR FILED	GREER TRST/RICHARDSON
07/28/2004	932	TRF OPER RGTS FILED	CONOCO/RICHARDSON OPE
08/19/2004	933	TRF OPER RGTS APPROVED	EFF 08/01/04;
08/19/2004	974	AUTOMATED RECORD VERIF	JLV
10/14/2004	246	LEASE COMMITTED TO CA	NMNM108261
10/14/2004	932	TRF OPER RGTS FILED	RICHARDSON/LANCE OIL
12/08/2004	933	TRF OPER RGTS APPROVED	EFF 11/01/04;
12/08/2004	974	AUTOMATED RECORD VERIF	MV
03/16/2005	246	LEASE COMMITTED TO CA	NMNM108217
05/05/2005	246	LEASE COMMITTED TO CA	NMNM110596
08/23/2005	246	LEASE COMMITTED TO CA	NMNM108222;ROPCO 8 #1
08/24/2005	246	LEASE COMMITTED TO CA	NMNM108221;ROPCO 8 #1
05/23/2007	932	TRF OPER RGTS FILED	LANCE O&G/XTO ENERG;1
06/15/2007	899	TRF OF ORR FILED	1
07/25/2007	933	TRF OPER RGTS APPROVED	EFF 06/01/07;
07/25/2007	974	AUTOMATED RECORD VERIF	MV

Line Nr Remarks

Serial Number: NMSF-- 0 079968

0002	NMSF079968 HELD BY ALLOCATED PROD FROM NMNM76324.
0003	08/19/04-LESSEE-CONOCOPHILLIPS CO ES0048 NW
0004	12/08/2004 LANCE BONDED TRANSFEREE WYB000112/NW

**NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM**

WELL NAME	API	LOCATION	FOOTAGES	FORMATION	DATE DRILLED	DEPTH	COMPLETION	TYPE	OPERATOR
ROPKO 4 #3	3004530394	L-4-29-14W	1830 FSL & 1060 FWL	Twin Mounds FR Sand-PC/ Basin Fruitland Coal	3/10/2001	1040'	3/22/01 12/5/2001	PGW	XTO ENERGY, INC
ROPKO 5 #4	3004530415	G-5-29N-14W	1520 FNL & 1420 FEL	Twin Mounds FR Sand-PC/ Basin Fruitland Coal	2/12/2001	940'	3/9/2001 3/13/2001	PGW	XTO ENERGY, INC
ROPKO 8 #1	3004530346	B-8-29N-14W	850 FNL & 1850 FEL	Twin Mounds FR Sand-PC	7/18/2001	900'	7/1/2002	PGW	XTO ENERGY, INC
WF Federal 5 #2	3004529853	K-5-29N-14W	1655 FSL & 1750 FWL	Twin Mounds FR Sand-PC/ Basin Fruitland Coal	1/14/2000	860'	3/11/2000 9/3/2000	PGW	XTO ENERGY, INC
WF Federal 5 #3	3004529852	O-5-29N-14W	975 FSL & 1855 FEL	Twin Mounds FR Sand-PC/ Basin Fruitland Coal	3/9/2000	843'	10/25/2006	PGW	XTO ENERGY, INC
FC Federal #14	3004528267	H-5-29N-14W	1920 FNL & 930 FEL	Basin Fruitland Coal	9/30/1990	971'	N/A	Dry Hole	Conoco Inc.
Russell Federal #1	3004508622	A-8-29N-14W	790 FNL & 990 FEL	Twin Mounds FR Sand-PC	8/9/1954	3386'	8/25/1954	AB	Pubco Petroleum Corp.

XTO ENERGY INC.
OPERATIONS PLAN
SALTY DOG #2

- I. Location: Section 5, Township 29 North, Range 14 West, NMPM
1495' FSL and 1477' FEL
San Juan County, NM
- Field: Blanco Mesaverde
Elevation: 5297'
Surface: Fee – XTO Energy, Inc.
Minerals: Federal NMSF-079968

II. Geology:

<u>Formation Tops</u>	<u>Depth</u>
Fruitland Coal	684 feet
Pictured Cliffs	698 feet
Lewis Shale	883 feet
Charca	1690 feet
Cliff House	2267 feet
Menefee	2300 feet
Point Lookout	3231 feet
Total Depth	3616 feet

Estimated depths of anticipated water, oil, gas and other mineral bearing formations which are expected to be encountered:

Water and gas:	684 feet	Fruitland Coal
	698 feet	Pictured Cliffs
Water:	2267 feet	Cliff House
	3231 feet	Point Lookout

- A. Logging Program: Induction/GR and Density Logs at TD
B. The maximum expected bottom hole pressure is 400 psi. This pressure will be contained as specified in III B. and C. below. No overpressured zones are expected in this well. No H2S zones are anticipated in this well.

- III. Surface Csg: 8-5/8" 24#, J-55 Csg @ 251', hole cemented with 110 sx with CL B cmt. Circ cmt to surf.
- Production Csg: 5-1/2" 15.5#, K-55 Csg @ 3,612'. Cmt'd w/165 sx CL B

Cmt with 2% metasilicated (12.5 ppg, 2.06 cuft/sx). Tailed in with 177 sx CL B cmt with 3#/sx gilsonite & ¼#/sx celloflake (15.6 ppg, 1.18 cuft/sx). Circ 8 bbls cmt to surf.

Stimulation: Perforated MV as follows: 2,388'-2,395', 2,464'-2,472', 2,478-2,484', 2,556'-2,566', 2,730'-2,738', 2,790'-2,807, 2,914'-2,954', 3,088'-3,096' w/4 SPF, (120 Deg phasing, 0.38" dia, 21" pene). Acidize with 2,500 gals 7.5% HCL w/550 ball sealers 1.35g, ISDP 1,145 psig, 5" SIP - 948 psig, 10" SIP - 907 psig, 15" SIP - 866 psig.

IV. Proposed Stimulation: Perforate MV as follows: 3,252' - 3,276', 3,360' - 3,370', 3,438' - 3,442', 3,468' - 3,475' w/4 SPF, (120 Deg phasing, 0.49" EHD, 24.14" pene). Acidize MV perfs from 3,252' - 3,475' w/3,000 gal 15% HCL and 270 rubber ball sealers.

V. Operations: Average Daily Rate: 1,000 bwpd
Maximum Daily Rate: 1,500 bwpd
System is closed:
Average Injection Pressure: 1,000 psi
Maximum Injection Pressure: 1,300 psi

Tubing: 2-7/8" 6.5#, J-55 Tbg, EOT @ ±2,310'. Baker 5-1/2" x 2-7/8 Lok-Set Pkr ±@ 2,310'.

The final perforated interval will span from 2,388' - 3,475'.

Source of water to be injected is from Fruitland Coal and Pictured Cliffs wells in the area. Representative samples of this water are included in this report.

A water sample from the Mesaverde taken from the Stella Needs A Com #1E well, located in the NE/4SW/4 of Section 36, Township 30 North, Range 14 West, is also included in this report.

Geological data from the disposal zone is presented in Administrative Order SWD-595.

There are no fresh water wells within one mile of this location.

Examination of available geologic and engineering data reveals no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

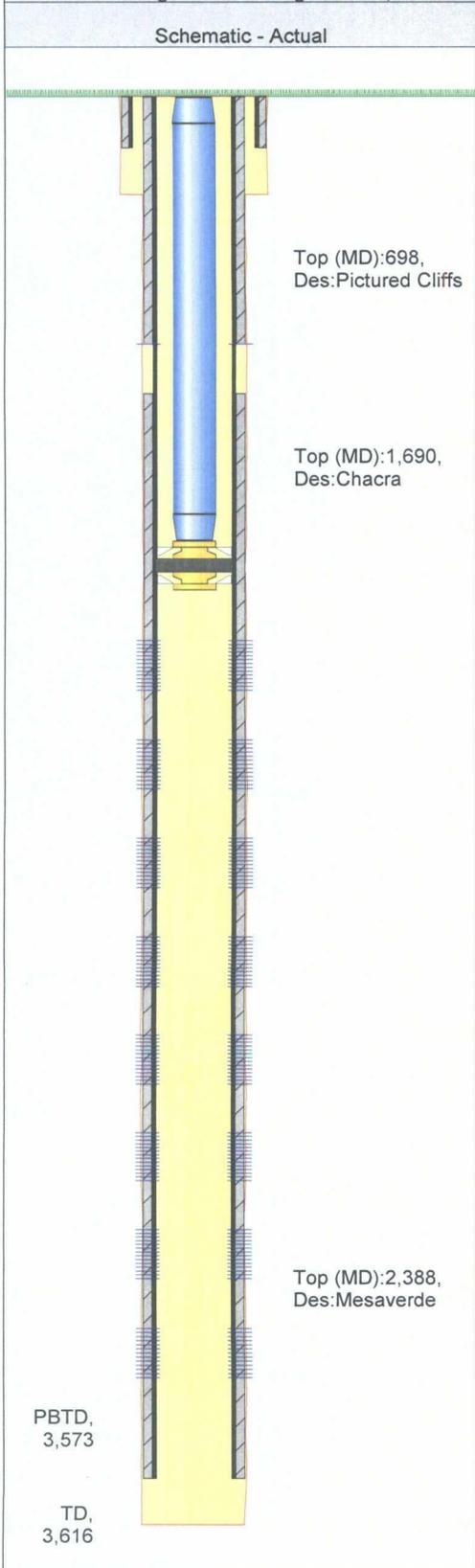


XTO - Wellbore Diagram

Well Name: Salty Dog SWD 02

API/UWI 30045308120000	E/W Dist (ft) 1,477.0	E/W Ref FEL	N/S Dist (ft) 1,495.0	N/S Ref FSL	Location T29N-R14W-S05	Field Name Blanco Mesaverde	County San Juan	State New Mexico
Well Configuration Type Vertical	XTO ID B 701165	Orig KB Elev (ft) 5,304.00	Gr Elev (ft) 5,297.00	KB-Grd (ft) 7.00	Spud Date 12/13/2001	PBTD (All) (ftKB) Original Hole - 3573.0	Total Depth (ftKB) 3,616.0	Method Of Production SWD

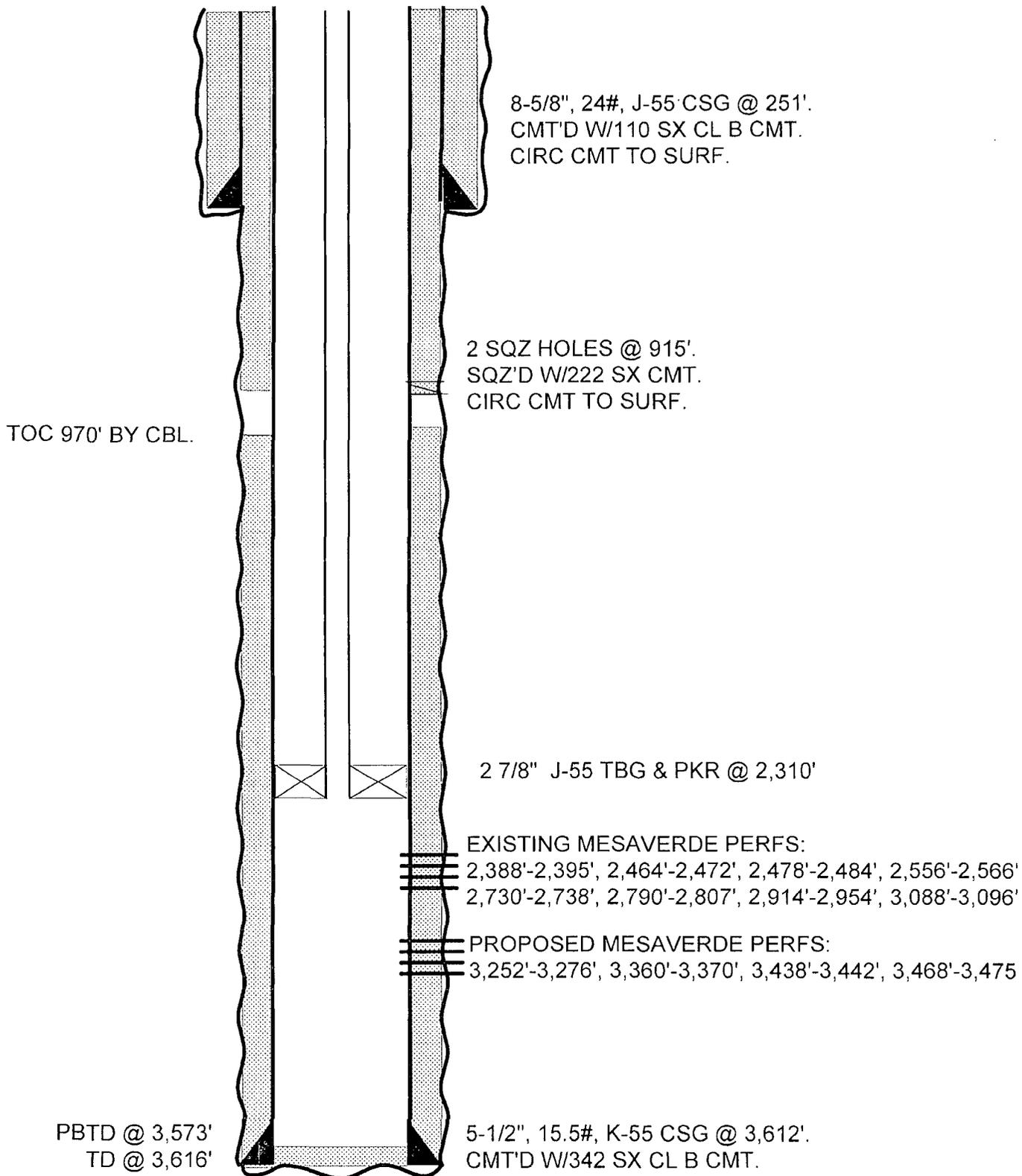
Well Config: Vertical - Original Hole, 5/10/2010 1:56:25 PM



Zones		Top (ftKB)		Btm (ftKB)					
Zone									
Pictured Cliffs		698.0		883.0					
Chacra		1,690.0		2,267.0					
Mesaverde		2,388.0		3,573.0					
Casing Strings									
Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftK...				
Surface	8 5/8	24.00	J-55		258.0				
Casing Description	OD (in)	Wt (lbs/ft)	String Grade	Top Connection	Set Depth (ftK...				
Production	5 1/2	15.50	K-55		3,612.0				
Cement									
Description	Type	String							
Surface Casing Cement	casing	Surface, 258.0ftKB							
Comment 110 sx cmt. Circ to surf.									
Description	Type	String							
Cement Squeeze	casing	Production, 3,612.0ftKB							
Comment Sqz holes @ 915'. Sqz w/222 sx cmt. Circ cmt to surf. 01/11/02									
Description	Type	String							
Production Casing Cement	casing	Production, 3,612.0ftKB							
Comment 342 sx cmt. Circ 8 bbls cmt to surf. TOC @ 970' by CBL 01/10/02.									
Perforations									
Date	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Hole Diameter (in)	Phasing (°)	Cur... Status	Zone		
1/11/2002	915.0	915.0	2.0	0.380					
2/8/2002	2,388.0	2,398.0	4.0	0.380	120		Mesaverde		
2/8/2002	2,464.0	2,472.0	4.0	0.380	120		Mesaverde		
2/8/2002	2,478.0	2,484.0	4.0	0.380	120		Mesaverde		
2/8/2002	2,556.0	2,566.0	4.0	0.380	120		Mesaverde		
2/8/2002	2,730.0	2,738.0	4.0	0.380	120		Mesaverde		
2/8/2002	2,790.0	2,807.0	4.0	0.380	120		Mesaverde		
2/8/2002	2,914.0	2,954.0	4.0	0.380	120		Mesaverde		
2/8/2002	3,088.0	3,096.0	4.0	0.380	120		Mesaverde		
Tubing Strings									
Tubing Description	Run Date	Set Depth (ftKB)							
Tubing - Production	2/8/2002	2,310.0							
Tubing Components									
Item Description	Jts	Model	OD (in)	Wt (lbs/...)	Gra...	Top Thread	Len (ft)	Top (ftKB)	Btm (ftKB)
Tubing		T&C Upset	2 7/8	6.50	J-55		2,300.00	7.0	2,307.0
Packer			2 7/8				3.00	2,307.0	2,310.0
Rods									
Rod Description	Run Date	String Length (ft)		Set Depth (ftKB)					
Rod Components									
Item Description	Jts	Model	OD (in)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)		
Stimulations & Treatments									
Frac Start Date	Top Perf (f...)	Bottom Pe...	V (slurry) (...)	Total Prop...	AIR (b...)	ATP (psi)	MTP (psi)	ISIP (psi)	
2/9/2002	2388	3096							
Comment A. MV perms fr/2,388' - 3,096' dwn 2-7/8" tbg w/2,500 gal 7.5% HCl & 550 1.35 SG rubber BS									

XTO ENERGY, INC.
SALTY DOG SWD #2
PROPOSED CONFIGURATION

KB: 5,304'
GL: 5,297'
CORR: 7'





XTO - Well History

Well Name: **Salty Dog SWD 02**

API/UWI 30045308120000	Location T29N-R14W-S05	Field Name Blanco Mesaverde	Permit Number	State New Mexico	Well Configuration Type Vertical
Original KB Elevation (ft) 5,304.00	Ground Elevation (ft) 5,297.00	KB-Ground Distance (ft) 7.00	Spud Date 12/13/2001	Rig Release Date	Total Depth (ftKB) 3,616.0

Jobs DRILLING 12/13/2001

Start Date 12/13/2001	End Date 2/12/2002	Primary Job Type / Initial Job Type Drilling Original & Initial Completion	Total Field Estimated Cost
--------------------------	-----------------------	---	----------------------------

12/13/2001 00:00 - 12/13/2001 00:00

Operation Summary # 1

Roughneck Well Service spud 9-3/4" hole @ 08:00.

Remarks # 2

Construction Summary # 3

12/14/2001 00:00 - 12/14/2001 00:00

Operation Summary # 1

TD 9-3/4" hole @ 260'. TIH 8-5/8", 24#, J-55 csg & set @ 251' (GL). Cmt csg w/100 sx cl B cmt. Circ 11 bbls cmt to surf.

Remarks # 2

Construction Summary # 3

12/15/2001 00:00 - 12/15/2001 00:00

Operation Summary # 1

Begin drlg 6-3/4" hole.

Remarks # 2

Construction Summary # 3

1/4/2002 00:00 - 1/4/2002 00:00

Operation Summary # 1

TD 6-3/4" hole @ 3,616'.

Remarks # 2

Construction Summary # 3

1/7/2002 00:00 - 1/7/2002 00:00

Operation Summary # 1

RIH bull nose GS, 1 jt 5-1/2" csg, FC & 90 jts 5-1/2", 15.5#, K-55, LT&C csg. Set csg @ 3,612'. FC @ 3,573'. Cmt csg w/165 sx cl B cmt (2.06 cuft/sk, 12.5ppg) w/2% sodium mescalite, 3# gilsonite, & 1/4# celloflake. Tail in w/177 sx cl B cmt (1.18 cuft/sk, 15.6 ppg) w/3# gilsonite, & 1/4# celloflake. Circ 8 bbls cmt to surf.

Remarks # 2

Construction Summary # 3

1/8/2002 00:00 - 1/8/2002 00:00

Operation Summary # 1

MIRU Schlumberger. Ran CNL log. RDMO.

Remarks # 2

Construction Summary # 3

1/10/2002 00:00 - 1/10/2002 00:00

Operation Summary # 1

MIRU Schlumberger. Ran CBL log. TOC @ 970'.

Remarks # 2

Construction Summary # 3

1/11/2002 00:00 - 1/11/2002 00:00

Operation Summary # 1

RIH w/CIBP. Set CIBP @ 930'. Perf sqz holes @ 915' (0.38" EHD, 2 SPF, 2 tfl holes). MIRU PU. TIH model "R" pkr & 23 jts 2-3/8" tbg. Set pkr @ 750'. Pmp 222 sx Cl B cmt w/2 % CaCl2. Circ cmt.

Remarks # 2

Construction Summary # 3



XTO - Well History

Well Name: Salty Dog SWD 02

API/UWI 30045308120000	Location T29N-R14W-S05	Field Name Blanco Mesaverde	Permit Number	State New Mexico	Well Configuration Type Vertical
Original KB Elevation (ft) 5,304.00	Ground Elevation (ft) 5,297.00	KB-Ground Distance (ft) 7.00	Spud Date 12/13/2001	Rig Release Date	Total Depth (ftKB) 3,616.0

1/12/2002 00:00 - 1/12/2002 00:00

Operation Summary # 1

TOH tbg & pkr. TIH 4-3/4" bit & 2-3/8" tbg. Tg cmt @ 835'. DO cmt to CIBP @ 930'. PT csg & sqz holes to 1,000 psig. Tst OK. Begin DO CIBP.

Remarks # 2

Construction Summary # 3

1/15/2002 00:00 - 1/15/2002 00:00

Operation Summary # 1

DO CIBP @ 930'. TOH tbg & BHA.

Remarks # 2

Construction Summary # 3

2/6/2002 00:00 - 2/6/2002 00:00

Operation Summary # 1

MIRU Schlumberger. Ran reservoir saturation log. RDMO.

Remarks # 2

Construction Summary # 3

2/8/2002 00:00 - 2/8/2002 00:00

Operation Summary # 1

MIRU Schlumberger. RIH 4" perf gun. Perf MV as follows: 2,388' - 2,398', 2,464' - 2,472', 2,478' - 2,484', 2,556' - 2,566', 2,730' - 2,738', 2,790' - 2,807', 2,914' - 2,954, and 3,088' - 3,096' (4 SPF, 0.38" EHD, 120 deg, 428 tti holes). RDMO. TIH 5-1/2" x 2-7/8" pkr & 2-7/8", 6.5#, J-55 tbg. Set pkr @ 2,310' per state sundry.

Remarks # 2

Construction Summary # 3

2/9/2002 00:00 - 2/9/2002 00:00

Operation Summary # 1

MIRU BJ acid. EIR @ 1,650 psig. A. w/2,500 gal 7.5% HCl. Drop 550 1.35 SG ball sealers. ISIP 1,145 psig. 5" 948 psig. 10" 907 psig. 15" 866 psig. RDMO.

Remarks # 2

Construction Summary # 3

3/1/2002 00:00 - 3/1/2002 00:00

Operation Summary # 1

Performed Step Rate Test. BHP sensors @ 2,954'. Max TP 2,464.13 psig @ 6.572 BPM IR. Max IR 7.629 BPM @ 2,262.70 psig BHP.

Remarks # 2

Construction Summary # 3

Jobs Well Maintenance 3/15/2002

Start Date 3/15/2002	End Date 3/15/2002	Primary Job Type / Initial Job Type RWTI	Total Field Estimated Cost
-------------------------	-----------------------	---	----------------------------

3/15/2002 00:00 - 3/15/2002 00:00

Operation Summary # 1

MAOP increased to 1,050 psig (prev 440 psig).

Remarks # 2

Construction Summary # 3

Jobs TESTING 11/21/2002

Start Date 11/21/2002	End Date 11/21/2002	Primary Job Type / Initial Job Type Test/Log/Profile	Total Field Estimated Cost
--------------------------	------------------------	---	----------------------------

11/21/2002 00:00 - 11/21/2002 00:00

Operation Summary # 1

Performed Step Rate Test. BHP sensor @ 2,900'. Max TP 2,607.61 psig @ 11.75 BPM IR. Max IR 11.75 BPM.

Remarks # 2

Construction Summary # 3



XTO - Well History

Well Name: Salty Dog SWD 02

API/UWI 30045308120000	Location T29N-R14W-S05	Field Name Blanco Mesaverde	Permit Number	State New Mexico	Well Configuration Type Vertical
Original KB Elevation (ft) 5,304.00	Ground Elevation (ft) 5,297.00	KB-Ground Distance (ft) 7.00	Spud Date 12/13/2001	Rig Release Date	Total Depth (ftKB) 3,616.0

Jobs Well Maintenance 12/1/2002

Start Date 12/1/2002	End Date 12/1/2002	Primary Job Type / Initial Job Type RWTI	Total Field Estimated Cost
-------------------------	-----------------------	---	----------------------------

12/1/2002 00:00 - 12/1/2002 00:00

Operation Summary # 1

MAOP increased to 1,300 psig (prev 1,050 psig).

Remarks # 2

Construction Summary # 3

Jobs Well Maintenance 6/14/2007

Start Date 6/14/2007	End Date 6/14/2007	Primary Job Type / Initial Job Type MIT	Total Field Estimated Cost
-------------------------	-----------------------	--	----------------------------

6/14/2007 00:00 - 6/14/2007 00:00

Operation Summary # 1

Met Monica Kuehling w/ N.M. OCD on location to PT pkr. MIRU H&M Precision pmp trk. PT csg to 380 psig w/11 gals 2 % KCL wtr. Press held @ 380 psig for 30". RDMO H&M pmp trk.

Remarks # 2

Construction Summary # 3

Jobs TESTING 8/12/2008

Start Date 8/12/2008	End Date 8/15/2008	Primary Job Type / Initial Job Type Test/Log/Profile	Total Field Estimated Cost
-------------------------	-----------------------	---	----------------------------

8/12/2008 00:00 - 8/12/2008 00:00

Operation Summary # 1

SITP 520 psig, SICP 260 psig. Phoenix Services LLC SL trk. RU 5K lub. RIH w/2.347" GR to donut. POH. RIH w/1.906" GR to 3,510'. POH. RU ppg tee. RIH w/XTO tandem 3,500 psig BHP gauges (#5436 & #5437) to 2,310'. Hung off & left gauges in to monitor well. MV perms fr/2,388' - 3,096'. RDMO SL trk.

Remarks # 2

Construction Summary # 3

8/13/2008 00:00 - 8/13/2008 00:00

Operation Summary # 1

MIRU Superior Well Services pmp trk. Monica Kuehling w/NMOCD on loc & witnessed operations. SITP 500 psig. SICP 650 psig. SIBHP 0 psig. EIR dwn tbg. Ppd Step Rate Test as follows: 1st step 0.5 BPM @ ave TP 1,065 psig, SICP 670 psig, SIHBP 0 psig for 16 min. 2nd step 1.0 BPM @ ave TP 1,200 psig, SICP 670 psig, SIHBP 0 psig for 22 min. 3rd step 1.5 BPM @ ave TP 1,235 psig, SICP 670 psig, SIHBP 0 psig for 20 min. 4th step 2.0 BPM @ ave TP 1,335 psig, SICP 670 psig, SIHBP 0 psig for 20 min. 5th step 2.5 BPM @ ave TP 1,440 psig, SICP 670 psig, SIHBP 0 psig for 20 min. 6th step 3.0 BPM @ ave TP 1,520 psig, SICP 670 psig, SIHBP 0 psig for 20 min. 7th step 3.5 BPM @ ave TP 1,635 psig, SICP 670 psig, SIHBP 0 psig for 20 min. 8th step 4.0 BPM @ ave TP 1,770 psig, SICP 670 psig, SIHBP 0 psig for 20 min. Pmp trk transmission overheating. SD step rate test. ISIP 1,240 psig. 5" SIP 1,123 psig. 10" SIP 1,082 psig. 15" SIP 1,044 psig. Ppd ttl 356 BPW. SWI. RDMO pmp trk.

Remarks # 2

Construction Summary # 3

8/15/2008 00:00 - 8/15/2008 00:00

Operation Summary # 1

SITP 600 psig, SICP 480 psig. MI Phoenix Serv. POH w/tandem BHP gauges fr/2310' making gradient stops. RDMO Phoenix Serv SL trailer (trailer RU on well for 3 days).

Remarks # 2

Construction Summary # 3

Jobs Well Maintenance 7/1/2009

Start Date 7/1/2009	End Date 7/1/2009	Primary Job Type / Initial Job Type RWTI	Total Field Estimated Cost
------------------------	----------------------	---	----------------------------

7/1/2009 10:00 - 7/1/2009 10:01

Operation Summary # 1

SITP 461. SICP 0. Std inj dwn tbg at 10:00 A.M. 07/01/09. Inj press 1,125 psig. Inj rate 1,125 BPD.

Remarks # 2

Construction Summary # 3

State of New Mexico
 Energy, Minerals & Mining Resources Department
 OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C - 102

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

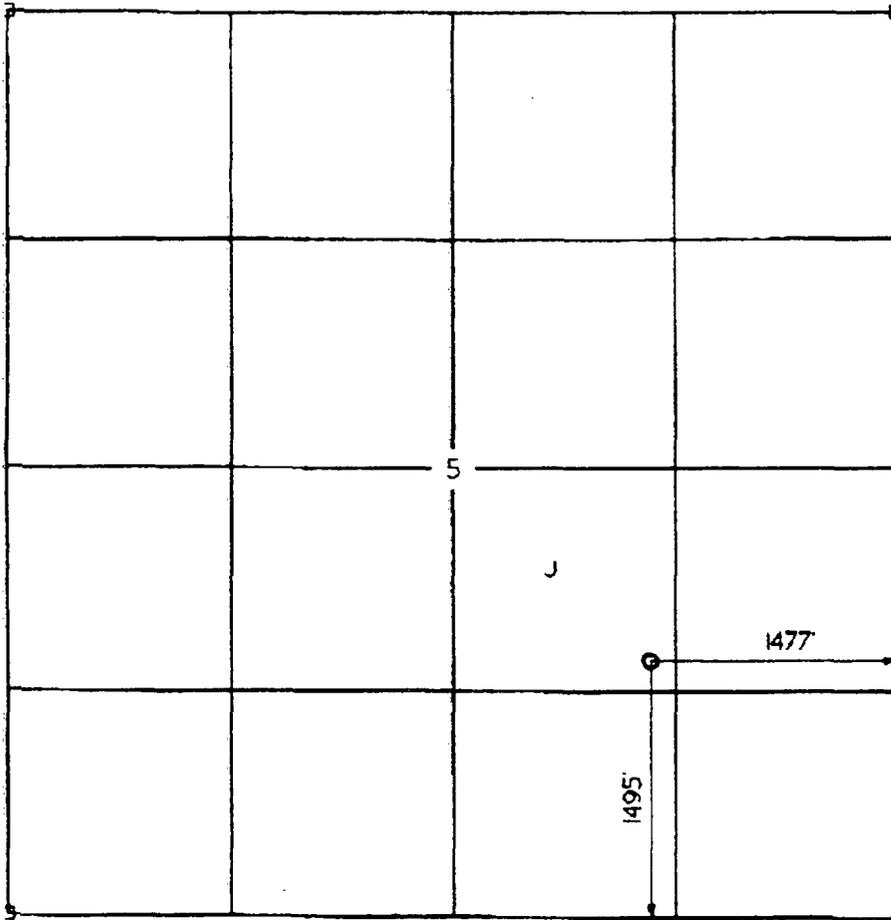
APA Number	Pool Code	Pool Name
Property Code	Property Name SALTY DOG	Well Number 2
OGRID No.	Operator Name RICHARDSON OPERATING COMPANY	Elevation 5297'

Surface Location									
UL or Lot	Sec.	Top.	Rgn.	Lot Id.	Feet from >	North/South	Feet from >	East/West	County
J	5	29 N.	14 W.		1495	SOUTH	1477	EAST	SAN JUAN

Bottom Hole Location if Different From Surface									
UL or Lot	Sec.	Top.	Rgn.	Lot Id.	Feet from >	North/South	Feet from >	East/West	County

Dedication	Joint ?	Consolidation	Order No.
------------	---------	---------------	-----------

NO ALLOWABLE WELL 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.

Signature _____

Printed Name _____

Title _____

Date _____

SURVEYOR CERTIFICATION
 I hereby certify that the well location 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.

Date of Survey _____

Signature and Seal of Professional Surveyor

Dugan Production Corp.

COMPANY OF NORTH AMERICA

Stella Needs A Com No. 1 - Conversion to SWD

API WATER ANALYSIS

Company: DUGAN PROD.

W.C.N.A. Sample No.: S106695

Field:

Legal Description:

Well: STELLA NEEDS A COM #1E

Lease or Unit:

Depth:

Water.B/D:

Formation: POINT LOOKOUT/MESA VERDE

Sampling Point: SWAB

State: N.M.

Sampled By: J. ALEXANDER

County:

Date Sampled: 04/24/95

Type of Water(Produced,Supply, ect.):

PROPERTIES

pH: 6.30

Iron, Fe(total): 250

Specific Gravity: 1.050

Sulfide as H2S: 0

Resistivity (ohm-meter): .13

Total Hardness:

Temperature: 78F

(see below)

DISSOLVED SOLIDS

CATIONS mg/l me/l

Sodium, Na: 20470 : 890

Calcium, Ca: 2084 : 104

Magnesium, Mg: 170 : 14

Barium, Ba: N/A : N/A

Potassium, K: :

Sample(ml): 1.0 ml of EDTA: 5.20

Sample(ml): 1.0 ml of EDTA: .70

ANIONS mg/l me/l

Chloride, Cl: 31905 : 900

Sulfate, SO4: 3750 : 78

Carbonate, CO3: :

Bicarbonate, HCO3: 1830 : 30

Sample(ml): 1.0 ml of AgNO3: 1.80

Sample(ml): 1.0 ml of H2SO4:

Sample(ml): 1.0 ml of H2SO4: .30

Total Dissolved

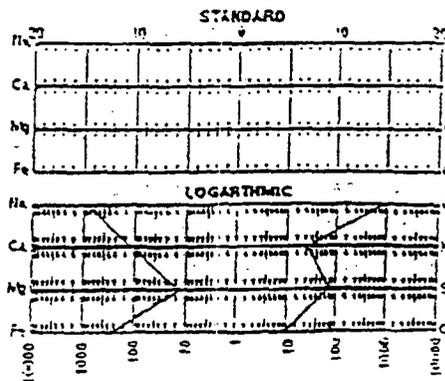
Solids (calculated): 60209

Total Hardness: 5900

Sample(ml): 1.0 ml of EDTA:

REMARKS AND RECOMMENDATIONS:

WATER PATTERNS-me/l



Analyst: DC
Date Analyzed: 4/24/95

BJ SERVICES COMPANY

WATER ANALYSIS #FW01W266

FARMINGTON LAB

GENERAL INFORMATION

OPERATOR: RICHARDSON OPERATING	DEPTH:
WELL: BUSHMAN FEDERAL 6-1	DATE SAMPLED: 10/19/98
FIELD: SEC06/T29N/R14W	DATE RECEIVED: 10/20/98
SUBMITTED BY: BRAD SALZMAN	COUNTY: SAN JUAN STATE: NM
WORKED BY : D. SHEPHERD	FORMATION: FC/PC
PHONE NUMBER:	

SAMPLE DESCRIPTION

SAMPLE FOR ANALYSIS

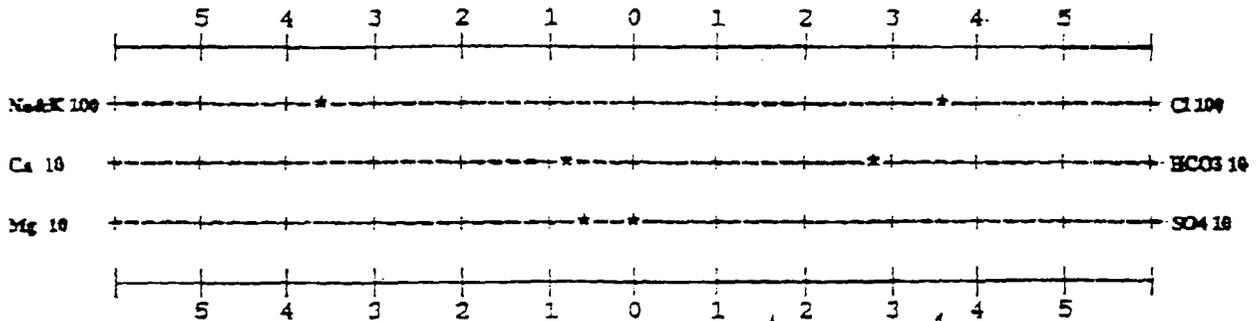
PHYSICAL AND CHEMICAL DETERMINATIONS

SPECIFIC GRAVITY:	1.015 @ 74°F	PH:	7.49
RESISTIVITY (MEASURED):	0.280 ohms @ 76°F		
IRON (FE++) :	0 ppm	SULFATE:	39 ppm
CALCIUM:	158 ppm	TOTAL HARDNESS	710 ppm
MAGNESIUM:	77 ppm	BICARBONATE:	1,719 ppm
CHLORIDE:	12,574 ppm	SODIUM CHLORIDE (Calc)	20,685 ppm
SODIUM+POTASS:	8,493 ppm	TOT. DISSOLVED SOLIDS:	23,536 ppm
H2S: NO TRACE		POTASSIUM (PPM):	110 PPM

REMARKS

SAMPLED FROM SEPERATOR

STIFF TYPE PLOT (IN MEQ/L)



ANALYST

D. Shepherd
D. SHEPHERD



382 Road 3100 Aztec, New Mexico 87410
Phone: (505) 333-3100 FAX: (505) 333-3280

May 13, 2010

State of New Mexico
Oil Conservation Division
Mr. William Jones
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

MAY 14 2010

Bureau of Land Management
Farmington Field Office

Re: Salt Water Disposal Application
Salty Dog No. 2 Well
Section 5, Township 29 North, Range 14 West, NMPM
San Juan County, New Mexico

Dear Mr. Jones:

XTO Energy Inc. is requesting approval to add additional Mesaverde perforations from 3,252' to 3,475'. The additional perforations will significantly increase the daily disposal capacity of this well. Richardson Operating Company was previously authorized to inject from 2,200' to 3,580', as per Administrative Order SWD-811, dated September 13, 2001. Enclosed please find one original and one copy of the complete Salt Water Disposal Application. A copy has been furnished to the Aztec OCD Office and the Farmington BLM Office.

This well was completed in the Blanco Mesaverde field on January 6, 2002. XTO owns the surface where this well is located.

There is only one well which penetrates the injection zone within one half mile of the Salty Dog No. 2 location. The plugged and abandoned Pubco-Carr Russell Federal No. 1 well is located in the NE/4NE/4 of Section 8, T29N, R14W. The five wells within the area of review are Fruitland Coal wells operated by XTO Energy. Pertinent well records are attached.

Information from the State Engineer's Office in Aztec indicates there are no shallow fresh water wells within one half mile of the Salty Dog No. 2 location.

Should you require further documentation please feel free to call my office @ 505-333-3100 or e-mail Diane_Jaramillo@xtoenergy.com and I will be happy to furnish any additional information.

Mr. Alexander Bridge is the engineer in charge should you need clarification of engineering data and is available at the number listed above.

Yours truly,

Diane Jaramillo
Supervisor, Engineering Techs/Accounting

CC: Aztec OCD
BLM - Farmington



382 Road 3100 Aztec, New Mexico 87410
Phone: (505) 333-3100 FAX: (505) 333-3280

May 13, 2010

Conoco/Phillips
Burlington Resources Oil & Gas LP
3401 East 30th
Farmington, NM 87402

Re: XTO Energy, Inc. Application for Authorization to Inject
Salty Dog No. 2
NW/4SE/4, Section 5, T29N-R14W
San Juan County, New Mexico

To Whom It May Concern:

As a leasehold owner within one-half mile of the proposed Salty Dog No. 2 disposal well, you are being notified of our Application for Authorization to Inject request to add additional Mesaverde perforations from 3,252' to 3,475'. Richardson Operating Company was previously authorized to inject from 2,200' to 3,580', as per Administrative Order SWD-811, dated September 13, 2001. XTO seeks to dispose of water produced from the Fruitland Coal and Pictured Cliffs formations into the Mesaverde formation.

Interested parties must file objections or requests for hearing with the NM Oil Conservation Division, 1220 South Saint Francis Dr., Santa Fe, NM 87505 within 15 days.

Additional information may be obtained by contacting Alexander Bridge, 382 CR 3100, Aztec, NM 87410, (505) 333-3100.

Yours truly,

A handwritten signature in black ink, appearing to read 'Diane Jaramillo', is written over a horizontal line.

Diane Jaramillo
Supervisor, Accounting/Engineering Techs

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Conoco/Phillips
 Burlington Resources Oil & Gas
 3401 EAST 30th
 FARMINGTON, NM 87402

COMPLETE THIS SECTION ON DELIVERY

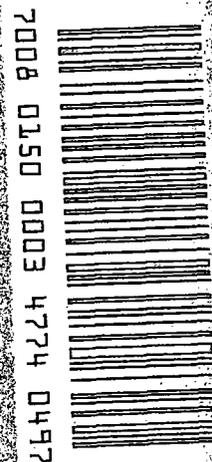
A. Signature Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery
 Bob Williams 5-17-10

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes



7008 0150 0003 4774 0497

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

02-M-1540

XTO Energy, Inc.
 382 CR 3100
 Aztec, New Mexico 87410

Conoco/Phillips
 Burlington Resources Oil & Gas LP
 3401 East 30th
 Farmington, NM 87402

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark
Here

Sent To: **Conoco Phillips B206**
 Street, Apt. No., or PO Box No. **3401 E 30th**
 City, State, ZIP+4 **FARMINGTON, NM 87402**



382 Road 3100 Aztec, New Mexico 87410
Phone: (505) 333-3100 FAX: (505) 333-3280

May 13, 2010

Western Gas Resources
1099 18th Street, Suite 1200
Denver, CO 80202

Re: XTO Energy, Inc. Application for Authorization to Inject
Salty Dog No. 2
NW/4SE/4, Section 5, T29N-R14W
San Juan County, New Mexico

To Whom It May Concern:

As a leasehold owner within one-half mile of the proposed Salty Dog No. 2 disposal well, you are being notified of our Application for Authorization to Inject request to add additional Mesaverde perforations from 3,252' to 3,475'. Richardson Operating Company was previously authorized to inject from 2,200' to 3,580', as per Administrative Order SWD-811, dated September 13, 2001. XTO seeks to dispose of water produced from the Fruitland Coal and Pictured Cliffs formations into the Mesaverde formation.

Interested parties must file objections or requests for hearing with the NM Oil Conservation Division, 1220 South Saint Francis Dr., Santa Fe, NM 87505 within 15 days.

Additional information may be obtained by contacting Alexander Bridge, 382 CR 3100, Aztec, NM 87410, (505) 333-3100.

Yours truly,

A handwritten signature in black ink, appearing to read 'Diane Jaramillo', is written over a printed name.

Diane Jaramillo
Supervisor, Accounting/Engineering Techs

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Western Gas Resources
1099 18th St, Suite 1200
Denver, CO 80202

COMPLETE THIS SECTION ON DELIVERY

A. Signature: *[Signature]* Agent Addressee

B. Received by (Printed Name): *DANIEL CORONADO* C. Date of Delivery: *5/17/10*

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type:

Certified Mail Express Mail **FWD**

Registered Return Receipt for Merchandise

Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number: 7008 0150 0003 4774 0503

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540 M-1540



XTO Energy, Inc.
382 CR 3100
Aztec, New Mexico 87410

Western Gas Resources
1099 18th Street, Suite 1200
Denver, CO 80202

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To: *Western Gas Resources*

Street, Apt. No., or PO Box No.: *1099 18 St, Suite 1200*

City, State, ZIP+4: *Denver, CO 80202*

FNCH 4774 FNCH NCTN QNNT

AFFIDAVIT OF PUBLICATION

Ad No. 64577

COPY OF PUBLICATION

**STATE OF NEW MEXICO
County of San Juan:**

CONNIE PRUITT, being duly sworn says:
That she is the ADVERTISING DIRECTOR of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication and appeared in the Internet at The Daily Times web site on the following day(s):

Wednesday, May 12, 2010

And the cost of the publication is \$63.66

Connie Pruitt

ON 6/8/10 CONNIE PRUITT appeared before me, whom I know personally to be the person who signed the above document.

Christine Sellers

My Commission Expires - 11/05/11

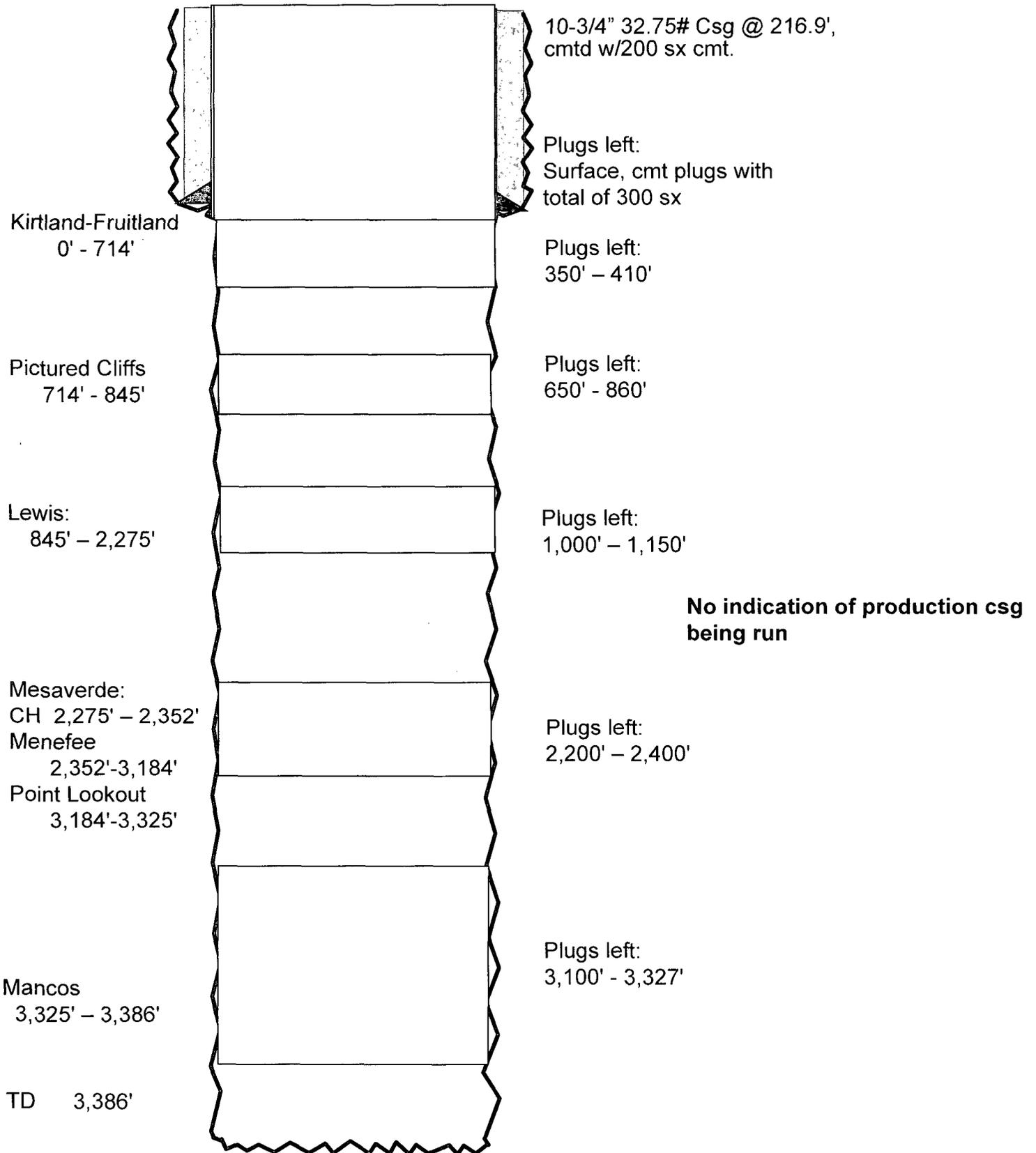
Public Notice
XTO Energy, Inc. is applying with the New Mexico Oil Conservation Division (NMOCD) for approval to add additional Mesaverde perforations from 3,252' to 3,475' in the Salty Dog #2 SWD well. The Salty Dog #2 SWD well is located at 1,495' FSL & 1,477' FEL, Sec 5, T29N-R14W, San Juan County, NM. Currently, the well disposes of produced water from oil and gas wells into the Mesaverde formation at a depth of 2,388' to 3,096'. After the proposed perforations are added, the well will dispose of water produced from oil and gas wells into the Mesaverde formation at a depth of 2,388' to 3,475' at a maximum rate of 1,500 barrels of water per day and a maximum pressure of 1,300 psi. Interested parties must file objections or requests for hearing with the NM Oil Conservation Division, 1220, South Saint Francis Drive, Santa Fe, NM 87505, within 15 days. Additional information can be obtained by contacting Alexander Bridge, 382 CR 3100, Aztec, NM 87410, (505) 333-3100.

Legal No. 64577 published in The Daily Times on May 12, 2010.

Rubco-Carr-Russel Federal #1

Sec 8, T29N-R14W
790' FNL & 990' FEL
Plugged 1/26/60

GL: 5,332.4'



To: Cathy 1-303-930-8009
 From: Ken at CHouse 334-9471

Form 9-381a
 (Feb. 1951)

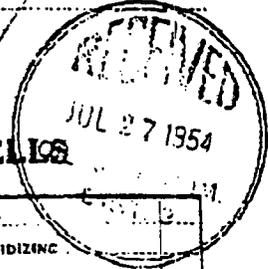
Budget amount 49 1144.8
 Approval expires 12-31-54.

	9	0	

(SUBMIT IN TRIPPLICATE)

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 GEOLOGICAL SURVEY

Land Office
 Lease No.
 Unit



SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	X	SUBSEQUENT REPORT OF WATER SHUT-OFF
NOTICE OF INTENTION TO CHANGE PLANS		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING
NOTICE OF INTENTION TO TEST WATER SHUT-OFF		SUBSEQUENT REPORT OF ALTERING CASING
NOTICE OF INTENTION TO RE-DRILL, OR REPAIR WELL		SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR
NOTICE OF INTENTION TO SHOOT OR ACIDIZE		SUBSEQUENT REPORT OF ABANDONMENT
NOTICE OF INTENTION TO PULL OR ALTER CASING		SUPPLEMENTARY WELL HISTORY
NOTICE OF INTENTION TO ABANDON WELL		

(INDICATE ABOVE BY CHECKING MARKS METHOD OF REPORT, NOTICE, OR OTHER DATA)

July 22, 1954

Pubco-Cart Russell Federal
 Well No. ... is located 250 ft. from $\left(\frac{N}{6}\right)$ line and 200 ft. from $\left(\frac{E}{W}\right)$ line of sec. ...

Range 6
 (Of Sec. and Cor. No.)
 Twp. 34N
 (Twp.)
 R. 14E
 (Range)
 S. 14 S. 14 E. 14 N.
 (Meridian)
 Twp. 34 N. 34 E. 14 N.
 (Twp.)
 C. H. J. ...
 (County or subdivision)
 State of ...
 (State or Territory)

The elevation of the ~~surface~~ ^{ground level} above sea level is 5332.4 ft.

DETAILS OF WORK

(State names of and oriented depths to objects, show clearly, and indicate of proposed sections, including ...
 ing points, and all other important proposed work)

It is proposed to drill with rotary tools to the top of the ...
 shale, estimated to be at a depth of 3000 feet. It is proposed to ...
 and drill stem test the Pictured Cliff formation and several possible
 zones in the Mesaville formation. Tentative casing program as follows:

10-3/4" surface casing 2500 feet
 Production string

Drilling Unit: #2 of Section 8 - ~~Blind~~ Mesaville lease.

A Blanket Drilling Bond has heretofore been filed and approved by the Commission.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Primo Development, Inc.
 Address Post Office Box 1366
Albuquerque, New Mexico

By Frank D. Carlson, Jr.
 Title Vice-President

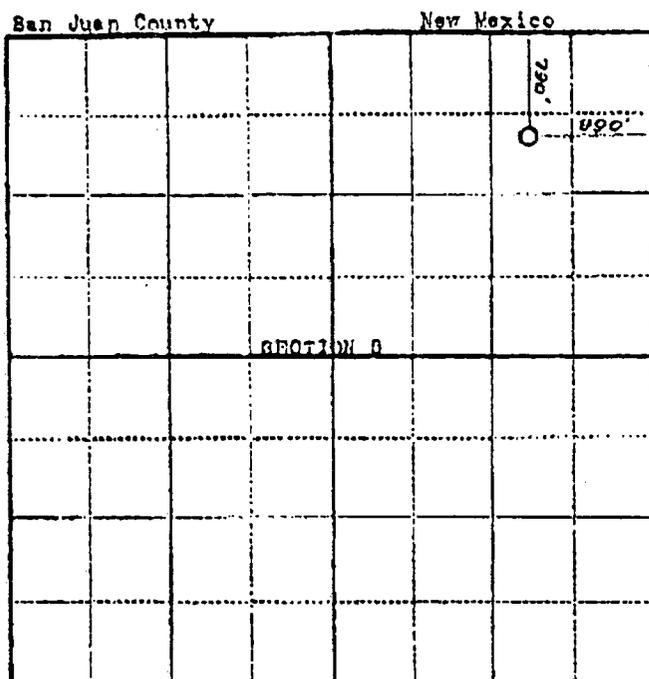
Company PUBCO DEVELOPMENT CO.

Tract PUBCO-CARR-RUSSELL FEDERAL Well No. 1

Sec. 8 T. 29 N R. 14 W N.M.P.M.

LOCATION 790 feet from north line, 490 feet from east line.

Elevation: 6852.4 0L



Scale—4 inches equal 1 mile.

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Stephen H. Kinney
STEPHEN H. KINNEY
Registered Professional
Engineer and Land Surveyor

Surveyed July 19, 1954.

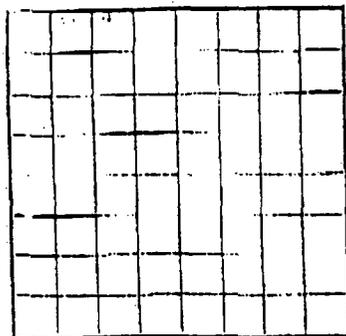
Seal:

RECEIVED

JUL 23 1954
U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

Budget Bureau No. 42-R-845.8
Approved October 12-11-50.

Form 9-500



LOCATE WELL CORRECTLY

U. S. LAND OFFICE
SERIAL NUMBER
LEASE OR PROJECT NO. PROJECT

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SEP 1 1951
538

LOG OF OIL OR GAS WELL

Company Pulaco-Carr Address Doz 814, Aztec, New Mexico
Lessor or Tract Russell-Federal Field Twin Mounds County New Mexico
Well No. 1 Sec. 8 T. 29N R. 11W of N. M. P. M. Sandoval

Location 1700 ft. N of 990 ft. W of Line and of Line of Section

The information given herewith is a complete and correct record of the well and all work done thereon so far as can be determined from all available records.

Signed Bill A. Street Title District Geologist

Date August 30, 1951

Commenced drilling 8-9 19 51 Finished drilling 8-25 19 54

OIL OR GAS SANDS OR ZONES

(Denote gas by G)

No. 1, from None to None No. 4, from None to None
No. 2, from None to None No. 5, from None to None
No. 3, from None to None No. 6, from None to None

IMPORTANT WATER SANDS

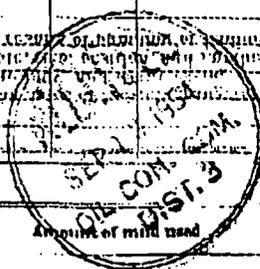
No. 1, from None to None No. 3, from None to None
No. 2, from None to None No. 4, from None to None

CASING RECORD

Size casing	Weight per foot	Threads per inch	Make	Amount	Kind of shoe	Cut and pulled from	Perforated		Purpose
							From	To	
10 3/4	32.75	8	Howco	216.00					

MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
10 3/4		200	Howco		



MARK

FOLE

PLUGS AND ADAPTERS

Heaving plug Material Length Depth set
 Adapters Material Size

SHOOTING RECORD

Size	Shot used	Explosive used	Quantity	Date	Depth shot	Depth cleaned out

TOOLS USED

Rotary tools were used from feet to feet, and from feet to feet
 Cable tools were used from feet to feet, and from feet to feet

DATES

....., 1900 Put to producing , 1900

The production for the first 24 hours was barrels of fluid of which% was oil;%
 emulsion; 8-26% water; and% sediment. Gravity, 2-26 54

If gas well, cu. ft. per 24 hours Gallons gasoline per 1,000 cu. ft. of gas

Rock pressure, lbs. per sq. in.

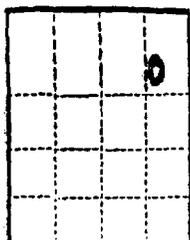
EMPLOYEES

....., Driller , Driller
 , Driller , Driller

Banner Drilg Co
 J. L. Capeland
 E. H. Capeland

FORMATION RECORD

FROM	TO	TOTAL FEET	FORMATION
0	714	714	Kirtland-Fruitland
714	845	131	Pictured Cliffs
845	2275	1430	Lewis
2275	2352	77	Mesaverde-Cliffhouse
2352	3184	832	Menefee
3184	3325	141	Point Lookout
3325	3386 TD	61	Mancoes



(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Land Office Santa Fe

Lease No. SP 079968

Unit _____

RECEIVED

JAN 27 1960

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....	SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....	SUBSEQUENT REPORT OF ABANDONMENT.....	XX
NOTICE OF INTENTION TO PULL OR ALTER CASING.....	SUPPLEMENTARY WELL HISTORY.....	
NOTICE OF INTENTION TO ABANDON WELL.....		

U. S. GEOLOGICAL SURVEY
FARMINGTON, NEW MEXICO

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Artec, New Mexico January 26, 1960

Fusco Carr-Russell Federal
Well No. 1 is located 790 ft. from (N) line and 950 ft. from (E) line of sec. _____

Artec, Section 8 SPN 14W R.M.P.M.
(Twp.) (Range) (Meridian)
Twin Hounds Area San Juan New Mexico
(Field) (County or Subdivision) (State or Territory)

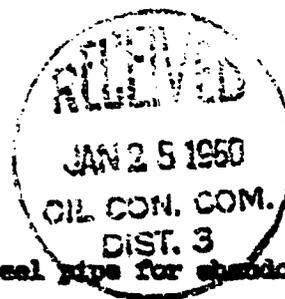
The elevation of the ~~marker~~ ^{Ground} ~~marker~~ above sea level is 5332.4 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

Flugging has been accomplished as verbally approved by Mr. Phil McGrath, U.S.G.S. on August 26, 1954.

- Plugs left:
- 3327-3100
 - 2400-2200
 - 1150-1000
 - 860-650
 - 410-350
 - Surface



Total, 300 sq. spotted by Howco; installed 8" of 4" OD steel pipe for abandonment marker; pits filled and location cleaned up.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

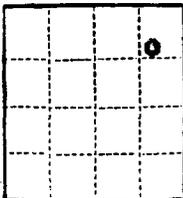
Company FUSCO PETROLEUM CORPORATION

Address 106 West Chuska

Artec, New Mexico

By S. E. Maxwell, Jr.

Title Mgr. Prod. Dept.



(SUBMIT IN TRIPPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Land Office Santa Fe
Lease No. SP 079968
Unit _____

SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED

NOTICE OF INTENTION TO DRILL.....		SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....		SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....		SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....		SUBSEQUENT REPORT OF ABANDONMENT.....	
NOTICE OF INTENTION TO PULL OR ALTER CASING.....		SUPPLEMENTARY WELL HISTORY.....	
NOTICE OF INTENTION TO ABANDON WELL.....	<input checked="" type="checkbox"/>		

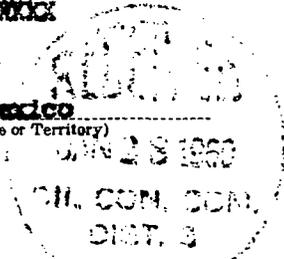
(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Astec, New Mexico January 26, 1960

Pubco Carr-Russell Federal
Well No. 1 is located 790 ft. from [N] line and 990 ft. from [E] line of sec. 8

Section 8 (2^d Sec. and Sec. No.) 29N (Twp.) 14W (Range) T.M.P.M. (Meridian)
Twin Brands Area (Field) San Juan (County or Subdivision) New Mexico (State or Territory)

The elevation of the Ground above sea level is 2332.4 ft.



DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

It is proposed to plug Pubco Carr-Russell #1; TD 3326; E-log to TD and DET information indicate a dry hole to TD.

DET #1: 727-773 Pictured Cliffs If 15', FF 60', Paip 215, rec. 150' all, Gen. No gas.

DET #2: 2932-2963 Menafee If 30', FF 180, Paip 1170, rec. 365' wum, no gas or oil.

CORE ANALYSIS: 724-772 water productive, Pictured Cliff; 3223-3227 water productive Menafee.

Plugs to be run as designated by Mr. Bill McGrath, U.S.G.S., 8-26-54; 3327-3100, 2400-2200, 1150-1000, 850-650, 410-350, 300 sex.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company PUBCO PETROLEUM CORPORATION

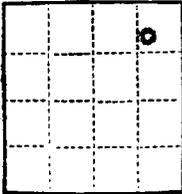
Address 108 West Chuska

Astec, New Mexico

By _____

H. E. Maxwell, Jr.

Title Mgr. Prod. Dept.



(SUBMIT IN TRIPPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Land Office Santa Fe
Lease No. BF 079968
Unit _____

RECEIVED

JAN 17 1960

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	SUBSEQUENT REPORT OF WATER SHUT-OFF	
NOTICE OF INTENTION TO CHANGE PLANS	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF	SUBSEQUENT REPORT OF ALTERING CASING	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE	SUBSEQUENT REPORT OF ABANDONMENT	XX
NOTICE OF INTENTION TO PULL OR ALTER CASING	SUPPLEMENTARY WELL HISTORY	
NOTICE OF INTENTION TO ABANDON WELL		

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Artec, New Mexico January 26, 1960

Puoco Carr-Russell Federal
Well No. 1 is located 790 ft. from [N] line and 990 ft. from [E] line of sec. _____

NE 1/4, Section 8 29N 14W T.M.P.M.
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)
Twin Hornde Area San Juan New Mexico
(Field) (County or Subdivision) (State or Territory)

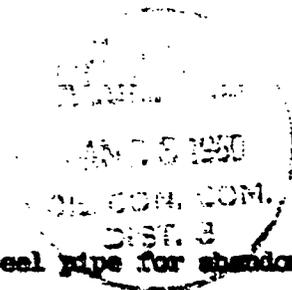
The elevation of the ~~center~~ ^{Ground} above sea level is 5332.4 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

Plugging has been accomplished as verbally approved by Mr. Phil McGrath, U.S.G.S. on August 26, 1954.

Plugs left: 3327-3100
2400-2200
1150-1000
860-650
410-350
Surface



Total, 300 seg, spotted by Howco; installed 8" of 4" OD steel pipe for abandonment marker; pits filled and location cleaned up.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company PUECO PETROLEUM CORPORATION

Address 106 West Chaska

Artec, New Mexico

By H. E. Maxwell, Jr.
Title Mgr. Prod. Dept.

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, June 28, 2010 2:39 PM
To: 'Diane_Jaramillo@xtoenergy.com'
Cc: Ezeanyim, Richard, EMNRD; Hayden, Steven, EMNRD
Subject: Disposal application from XTO Energy Inc. : Salty Dog #2 30-045-30812 Menefee and Point Lookout

Hello Diane:

Would you please create, scan, and email a "After Conversion" wellbore diagram? The application has the diagram as the well currently exists, but I can't find a diagram showing the well after the new perms are added – be sure the tubing is still showing.

Regards,

William V Jones, P.E.

Engineering, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
Tel 505.476.3448 ~ Fax 505.476.3462



Injection Permit Checklist (06/24/2010)

Case SWD 811-B WFX PMX IPI Permit Date 6/28/10 UIC Qtr (A/M/H)
 # Wells 1 Well Name: Saby DOG #2
 API Num: (30-) 045-30812 Spud Date: 1/5/02 New/Old: N (UIC primacy March 7, 1982)
 Footages 1495 FSL/471 FEL Unit J Sec 5 Tsp 29N Rge 14W County SocJUNN
 Operator: XTO Energy INC Contact DIANE JARAMILLO
 Operator Address: 382 CR300, AZTEC, NM 87410 Alexander Bridge
 OGRID: 9380 RULE 5.9 Compliance (Wells) 6/3230 (Finan Assur) OK IS 5.9 OK? OK
 Well File Reviewed Current Status: SWD

General Location: _____
 Diagrams: Before Conversion After Conversion Logs in Imaging File:

Planned Work to Well: Deepen inj interval

	Sizes Hole.....Pipe	Setting Depths	Cement Sx or Cf	Cement Top and Determination Method
Existing Surface	<u>9 3/4 x 5/8</u>	<u>251</u>	<u>110</u>	<u>CIRC</u> <u>SQZED</u>
Existing Intern				
New Existing LongSt	<u>6 3/4 x 1/2</u>	<u>3612</u>	<u>15/17</u>	<u>CIRC (orig TO C=970 CBL)</u>

DV Tool _____ ~~_____~~ _____ Open Hole _____ Total Depth 3612 Deviated Hole? NO

Intervals:	Depths, Ft.	Formation	Producing?
Formation Above	<u>2267</u>	<u>CLIFF HOUSE</u>	
Formation Above	<u>550</u>	<u>PC</u>	
Injection TOP:	<u>2388</u>	<u>Manufa</u>	Max. PSI <u>470</u> Open Hole? <u>_____</u> Perfs? <u>_____</u>
Injection BOTTOM:	<u>3475</u>	<u>PLD.</u>	Tubing Size <u>2 7/8</u> Packer Depth <u>2310</u>
Formation Below	<u>5000</u>	<u>Gullye</u>	
Formation Below			

Sensitive Areas: ~~Section Reel~~ ~~Cliff House~~ ~~Salt Deposits~~
~~Polash Area (R-T-T-P)~~ ~~Polash Lease~~ ~~Noticed?~~ (WIPP?) ~~Noticed?~~
 Fresh Water: Depths: _____ Formation _____ Wells? NO Analysis? _____ Affirmative Statement _____
 Disposal Fluid Sources: FRC/PC Analysis? _____
 Disposal Interval Production Potential/Testing: OK Analysis _____

Notice: Newspaper(Y/N) Surface Owner XTO Mineral Owner(s) BLM
 RULE 26.7(A) Affected Parties: COPALUMPS, WESTERN Gas, BLM, Bureau of Land Management?

Area of Review: Adequate Map (Y/N) and Well List (Y/N)
 Active Wells 0 Num Repairs _____ Producing in Injection Interval in AOR _____
 P&A Wells 1 Num Repairs 0 All Wellbore Diagrams Included?

Questions/Required Work: Subst about mineral control of Manufa/PLD.
ESP Fee Lower (ESW Sec 5) (NE NWS 28)
Perf: SWD/analyze

2

2388
4776

6/28/10