

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



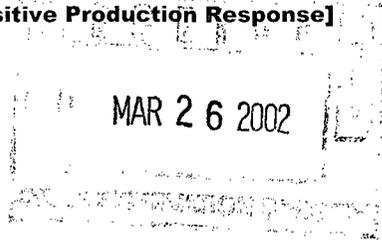
**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD



Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR

[D] Other: Specify \_\_\_\_\_

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

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

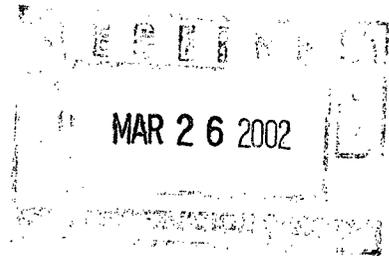
Ray Martin		Operations Engineer	3/25/02
Print or Type Name	Signature	Title	Date

\_\_\_\_\_  
 e-mail Address



March 25, 2002

Mr. David Catanach  
New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505



RE: Application to Surface Commingle Gas Production  
Abrams Gas Com J #1, Abrams Gas Com C #1  
& Hare Gas Com C #1E  
Sec 25, T29N, R10W  
San Juan County, NM

Dear Mr. Catanach,

XTO Energy, Inc. requests administrative approval to surface commingle gas production from the above referenced wells. The Abrams Gas Com C #1 is an existing Pictured Cliffs well drilled in 1956. The Abrams Gas Com J #1 is an existing Mesaverde well drilled in 1984. The Hare Gas Com C #1E is an existing Basin Dakota well drilled in 1979. The Abrams Gas Com C #1 is located approximately 650 feet southeast of the Abrams Gas Com J #1 and approximately 110 feet southwest of the Hare Gas Com C #1E. We request the surface commingle application be approved for the three aforementioned wells.

XTO plans to compress gas from all three wells through a shared compressor. Having the wells on compression help them overcome sales line pressure, maximizing their gas rates. Sharing a single compressor will lower operating costs and reduce fuel gas usage versus independently compressing gas from each well using three compressors. This will extend the economic lives of the wells, thus increasing their ultimate recoveries.

The existing gas meter on the Abrams Gas Com J #1 will become the central distribution point (CDP) gas sales meter for the three wells. The Abrams Gas Com C #1 and Hare Gas Com C #1E gas production will be measured independently by their existing gas meters, which will become allocation meters after surface commingling. The Abrams Gas Com J #1 gas production will be calculated by the difference between the CDP gas sales meter volume and the sum of the two gas allocation meters' volumes. The compressor fuel usage will be allocated between the three wells. The oil and water production from each well will be kept separate and not surface commingled.

The interest ownership between the three wells is not common. Notification of the proposed surface commingle was sent by certified mail to all working and royalty interest owners in the three wells on December 21, 2001. No objections to the proposed surface commingle were received by XTO Energy Inc.

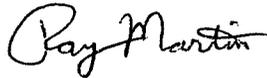
Mr. David Catanach  
March 25, 2002  
Page Two

The following are enclosed for your review of the proposed surface commingling:

1. Administrative Application Checklist.
2. Well information table.
3. Gas production allocation formula sheet.
4. Battery schematic of proposed installation.
5. Form C-102 Acreage Dedication Plats for all three wells.
6. List of interest owners who were notified.

If you need additional information or have any questions, please contact me at (505) 324-1090.

Sincerely,

A handwritten signature in cursive script that reads "Ray Martin".

Ray Martin  
Operations Engineer

cc: Oil Conservation Division Aztec  
FW Land Dept.  
Well Files

(Protected Com)

(Protected Com)

Get OK

WELL INFORMATION

	Abrams Gas Com J #1	Abrams Gas Com C #1	Hare Gas Com C #1E
Location	1190' FNL & 1100' FWL Sec 25, T29N, R10W	1650' FNL & 1650' FWL Sec 25, T29N, R10W	1570' FNL & 1730' FWL Sec 25, T29N, R10W
API #	30-045-25898	30-045-07880	30-045-23566
Pool	Blanco Mesaverde	Aztec Pictured Cliffs	Basin Dakota
Pool Code	72319	71280	71599
Acreage Dedication	W/2 of Sec 25	NW/4 of Sec 25	W/2 of Sec 25
Lease Type	Fee	Fee	Fee
Gas Gravity	0.77	0.65	0.74
Gas Rate	100 MCFD	25 MCFD	60 MCFD

W.O.G.  
Good Oil  
Good water

G  
Small water

Small oil  
small water

**Abrams Gas Com J #1, Abrams Gas Com C #1 & Hare Gas Com C #1E  
Gas Allocation Formula**

The existing gas meter on the Abrams Gas Com J #1 will become the central distribution point (CDP) gas sales meter for the three wells. The Abrams Gas Com C #1 and Hare Gas Com C #1E gas production will be measured independently by their existing gas meters, which will become allocation meters after surface commingling. The Abrams Gas Com J #1 gas production will be calculated by the difference between the CDP gas sales meter volume and the sum of the two gas allocation meter volumes. The compressor fuel gas usage will be allocated between the three wells. The oil and water production from each well will be kept separate and not surface commingled.

Abrams Gas Com J #1 gas production will be calculated as follows:

$$\text{Gas Prod.} = \text{CDP sales meter vol.} - (\text{Abrams Gas Com C \#1 allocation meter volume} + \text{Hare Gas Com C \#1E allocation meter volume}) + \text{Allocated fuel gas vol.}$$

Abrams Gas Com C #1 gas production will be calculated as follows:

$$\text{Gas Prod.} = \text{Abrams Gas Com C \#1 allocation meter vol.} + \text{Allocated fuel gas vol.}$$

Hare Gas Com C #1E gas production will be calculated as follows:

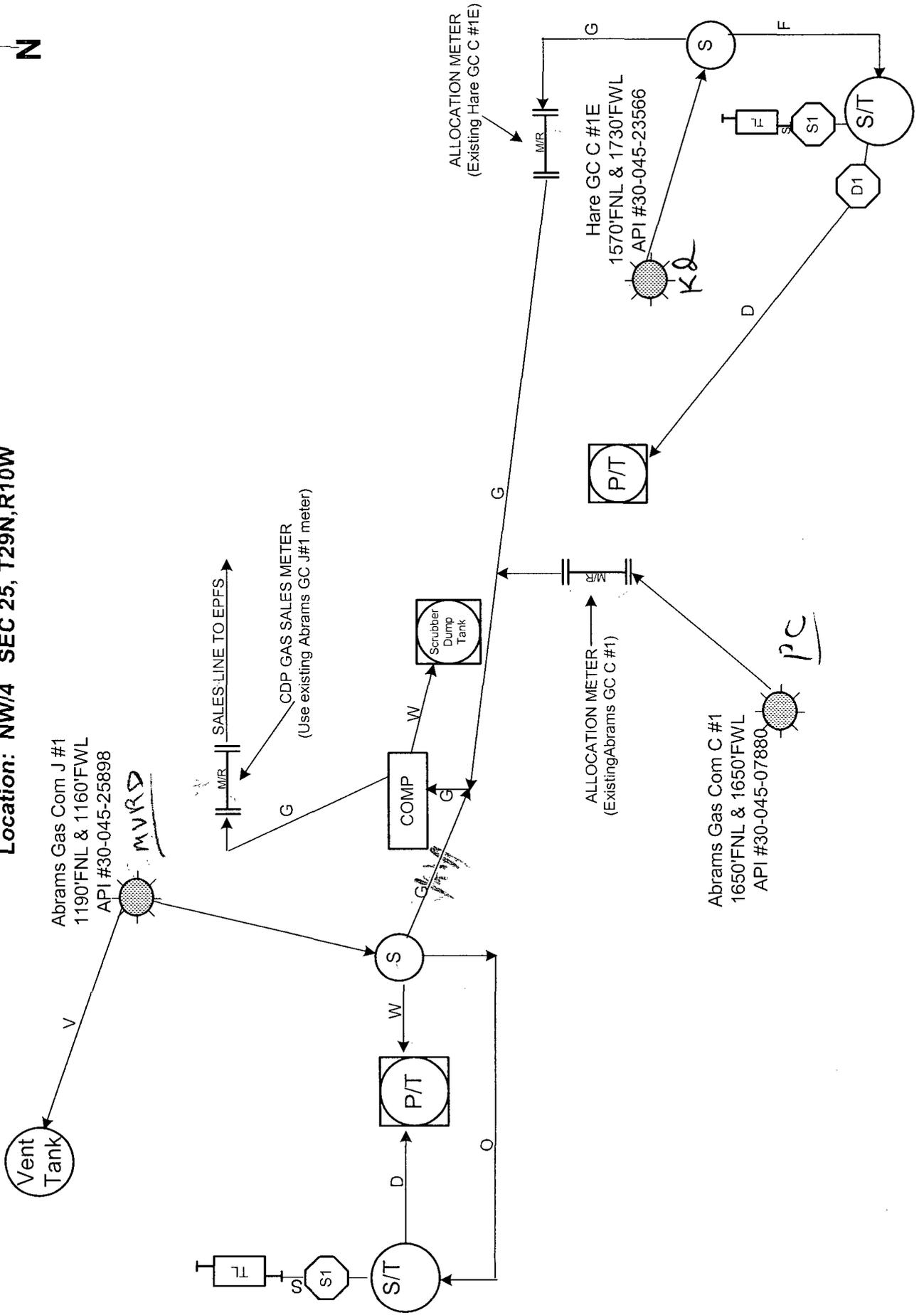
$$\text{Gas Prod.} = \text{Hare Gas Com C \#1E allocation meter vol.} + \text{Allocated fuel gas vol.}$$

The compressor fuel gas usage is estimated to be 10 -14 MCFD. During the winter if any of the wells' separator water bath is heated, the fuel gas usage is estimated to be 1 MCFD for that well.

XTO ENERGY INC.

Abrams Gas Com J #1 & Abrams GasCom C #1 & Hare Gas Com C #1E  
Proposed Gas Surface Commingling Installation

Location: NW/4 SEC 25, T29N,R10W



All distances must be from the outer boundaries of the Section.

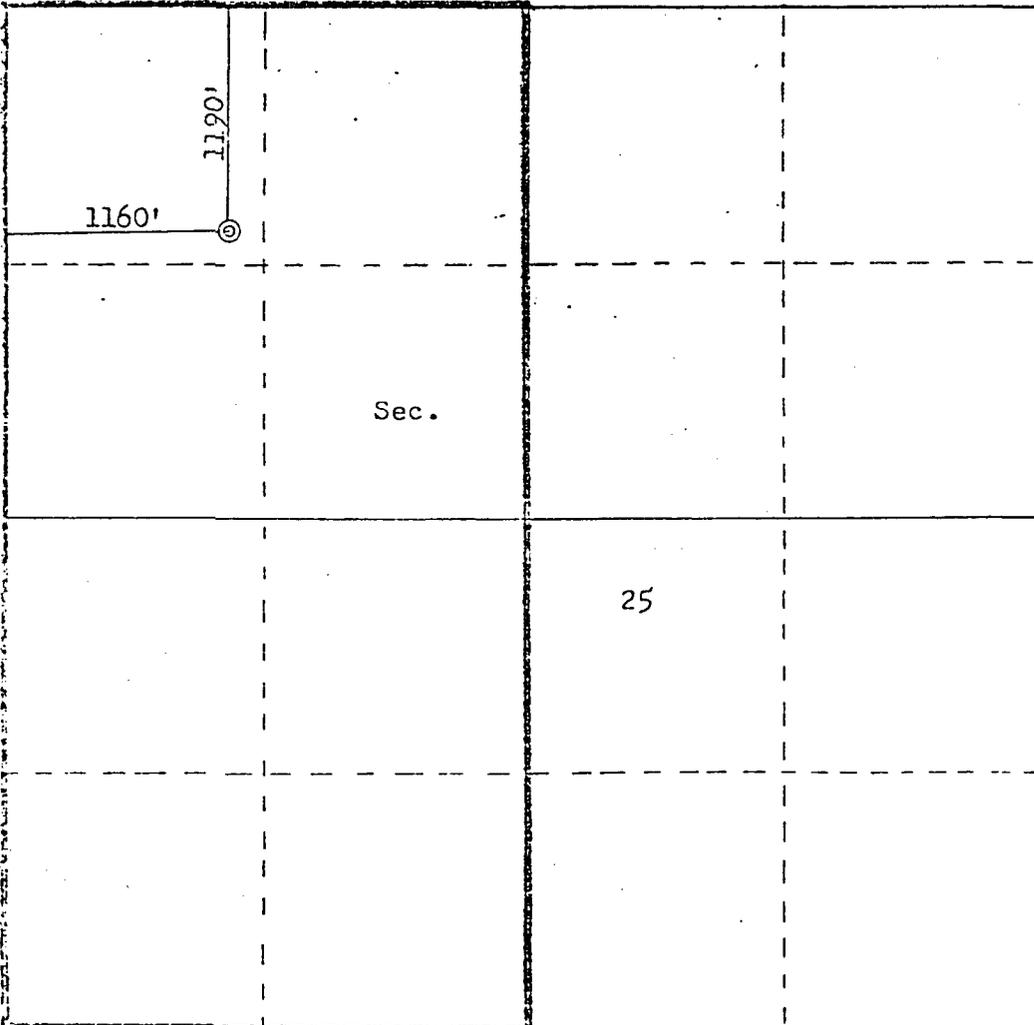
Operator AMOCO PRODUCTION COMPANY		Lease ABRAMS GAS COM "J"-TRUE		Well No. 1
Unit Letter D	Section 25	Township 29N	Range 10W	County San Juan
Actual Footage Location of Well: 1190 feet from the North line and 1160 feet from the West line				
Ground Level Elev: 5519	Producing Formation Mesaverde	Pool Blanco	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation Communitized

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

<b>CERTIFICATION</b>	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Original Signed By D.D. Lawson	
Name	Darrell D. Lawson
Position	Dist. Adm. Supervisor
Company	Amoco Production Company
Date	2-21-84
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
Date Surveyed	February 17, 1984
Registered Professional Engineer and Land Surveyor	
Fred B. Kerr Jr.	
Certificate No.	3950

WELL LOCATION AND/OR GAS PRODUCTION PLAT

DATE November 9, 1956

OPERATOR STANOLIND OIL AND GAS COMPANY

ABRAMS GAS UNIT "C"

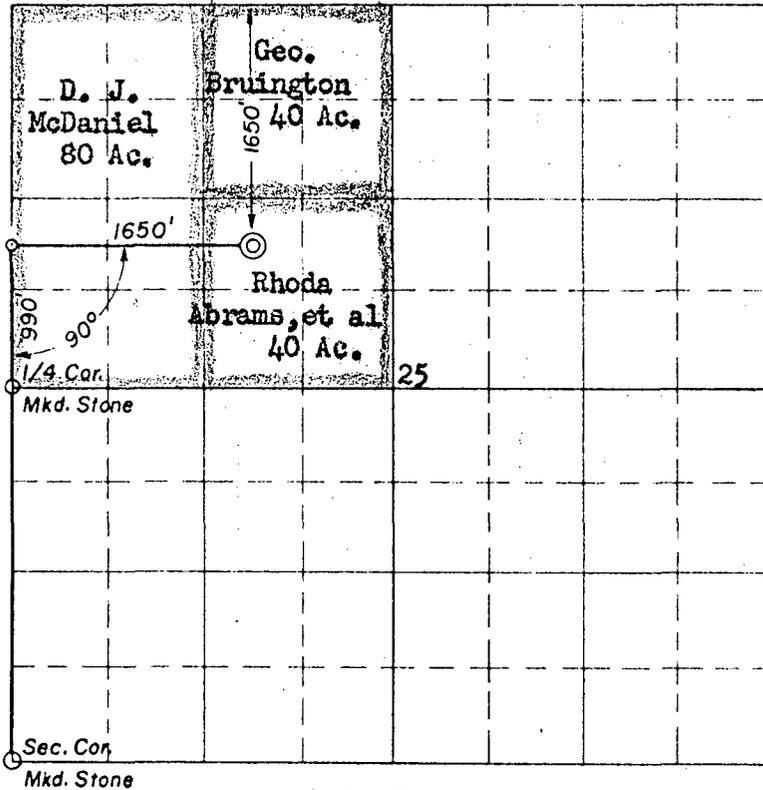
WELL NO. 1 SECTION 25 RANGE 29 NORTH TOWNSHIP 10 WEST

LOCATED 1650 FEET FROM the NORTH LINE 1650 FEET FROM the WEST LINE

SAN JUAN COUNTY, NEW MEXICO ELEVATION to be reported later

NAME OF PROPERTY Pictured Cliffs Aztec-Pictured Cliffs SECTION 160

Note: All distances must be from outer boundaries of section.  
Cor. Not In.



Scale 1 inch equals 1 mile



NOTE

This section of form is to be used for gas wells only

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.

Date Surveyed 31 OCTOBER 1956

James P. Leese  
Registered Professional Engineer and/or Land Surveyor  
James P. Leese

N. Mex. Reg. No. 2463



(Seal)

Farmington, New Mexico

1. Is this well a Dual Comp.  
Yes \_\_\_\_\_ No X
2. If the answer to Question 1 is yes, are there any other dually completed wells within the dedicated acreage.  
Yes \_\_\_\_\_ No \_\_\_\_\_

Name R. M. Bauer, Jr.

Position Field Engineer

Representing Stanolind Oil and Gas Company

Address Box 487, Farmington, New Mexico

**OIL CONSERVATION DIVISION**  
 P. O. BOX 2088  
 SANTA FE, NEW MEXICO 87501

STATE OF NEW MEXICO  
 ENERGY AND MINERALS DEPARTMENT

Form C-102  
 Revised 10-1-78

All distances must be from the outer boundaries of the Section.

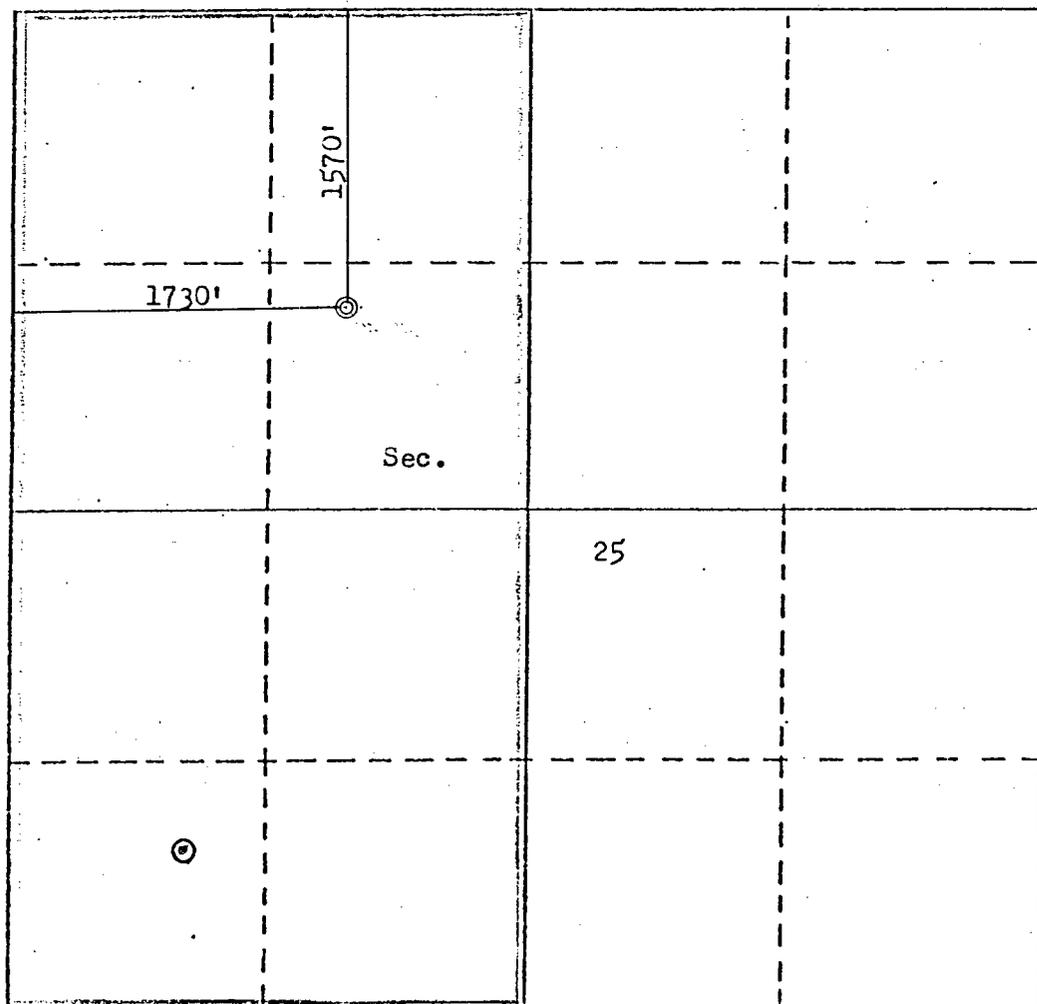
Operator <b>AMOCO PRODUCTION COMPANY</b>		Lease <b>HARE GAS COM "C"</b>			Well No. <b>1E</b>
Unit Letter <b>F</b>	Section <b>25</b>	Township <b>29N</b>	Range <b>10W</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>1570</b> feet from the <b>North</b> line and <b>1730</b> feet from the <b>West</b> line					
Ground Level Elev. <b>5532</b>	Producing Formation <b>Dakota</b>		Pool <b>Basin Dakota</b>		Dedicated Acreage: <b>320</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes     No    If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



**CERTIFICATION**

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

*B. E. Fackrell*

Name <b>B. E. FACKRELL</b>
Position <b>DISTRICT ENGINEER</b>
Company <b>AMOCO PRODUCTION COMPANY</b>
Date <b>MAY 10, 1979</b>

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.*

Date Surveyed <b>May 10, 1979</b>
Registered Professional Engineer or Land Surveyor <i>Fred B. Kerr, Jr.</i>
Certification No. <b>350 KERR, JR.</b>





December 21, 2001

RE: Notice of Application to Surface Commingle  
Abrams Gas Com J #1, Abrams Gas Com C #1  
& Hare Gas Com C #1E  
Sec 25, T29N, R10W  
San Juan County, NM

XTO Energy Inc. (formerly Cross Timbers Operating Company) plans to surface commingle gas production from the Abrams Gas Com C #1 (existing Pictured Cliffs well), the Abrams Gas Com J #1 (existing Mesaverde well) and the Hare Gas Com C #1E (existing Dakota well). We plan to produce the commingled gas through the compressor that is on the Abrams Gas Com J #1 location. Sharing a compressor will lower operating costs and reduce fuel gas usage versus independently compressing gas from each well. The lower operating costs (vs. independent compression) resulting from a shared compressor will extend the economic lives of both wells, thus increasing their ultimate recoveries.

The existing gas meter on the Abrams Gas Com J #1 will be used as the central distribution point (CDP) gas sales meter for the three wells. The Abrams Gas Com C #1 and Hare Gas Com C #1E gas production will be measured independently by their existing gas meters which will become allocation meters after surface commingling. The Abrams Gas Com J #1 gas production will be calculated by the difference between the CDP gas sales meter volume and the sum of the two gas allocation meters' volumes. The compressor fuel usage will be divided between the three wells. The oil and water production from each well will be kept separate and not surface commingled.

NMOCD requires all interest owners be notified prior to surface commingling when ownership is different between wells. If you need additional information or have any questions, I may be contacted at (505) 324-1090. If you have an objection to our application, please contact me within 20 days of the date of this letter.

Sincerely,

A handwritten signature in cursive script that reads 'Ray Martin'.

Ray Martin  
Operations Engineer

xc: Well Files  
Ft. Worth Land Dept.  
RFM

**Abrams Gas Com J #1, Abrams Gas Com C #1 & Hare Gas Com C #1E Surface Comingle**

OWNER NAME/ADDRESS	INTEREST TYPE	OWNER NAME/ADDRESS	INTEREST TYPE
KATHRINE M. MILAM C/O MORGAN STANLEY DEAN WITTER ACCT #31331857 4010 82ND STREET, SUITE 110 LUBBOCK, TX 79423	R	GOLDIE WARNER JOBE MARION E. AND GERALDINE L. KEELY ATTY IN FACT 804 SHERWOOD FOREST DR GRANITE SHOALS, TX 78654-2320	R
EMBREE FAMILY REVOCABLE TRUST EGBERT M. EMBREE, TRUSTEE 2834 MURRAY CT FORTUNA, CA 95540-3564	R	G M G COMMUNITY SCHOOL DISTRICT FOUNDATION 306 PARK STREET GARWIN, IA 50632-9730	R
LOUIS DREYFUS NATURAL GAS CORP 14000 QUAIL SPRNG PKWY STE 600 OKLAHOMA CITY, OK 73134-2600	R	ALBERT H VOGLER 17612 DANBURY AVE HESPERIA, CA 92345	R
SAMUEL EMBREE FAMILY TRUST A JEAN EMBREE TRUSTEE 1305 S MEEKER WEST COVINA, CA 91790-2526	R	ZELDA M MCWILLIAMS TRUST C/O ADELE MCLURE 218 S CHURCH AZTEC, NM 87410	R
KAY A SHERMAN 320 N SKYLANE DURANGO, CO 81302-2199	R	ALLEN D. WALKER 210 E 9TH STREET #15 CORALVILLE, IA 52241-2233	R
CHESTER H & IRMA MARIE PHELPS TRUST, CHESTER H. PHELPS, TRUSTEE P.O. BOX 724 BLOOMFIELD, NM 87413-0724	R	MARATHON OIL COMPANY DEPT 0882 P.O. BOX 120001 DALLAS, TX 75312-0882	R
CATHERINE ANN AVERY P.O. BOX 391 SHELL ROCK, IA 50670-0391	R	CARL MCDANIEL 808 CARDMOM CT CHULA VISTA, CA 91910-6610	R
ROSALIE STICKLER 505 WEST 3RD P O BOX 366 MONONA, IA 52159-0366	R	ALVIN W. FINK TRUST DATED 12/22/81, ALVIN W. & ELINOR R. FINK, TRUSTEES P.O. BOX 25 DOWNS, KS 67437-0025	R
KAREN KERR WIENKE 5721 83RD ST LUBBOCK, TX 79424-4618	R	ELINOR R. FINK TRUST DATED 12/22/81, ELINOR R. & ALVIN W. FINK, TRUSTEES P.O. BOX 25 DOWNS, KS 67437-0025	R
DINAH KERR ELLIOTT P.O. BOX 23 ROARING SPRINGS, TX 79256-0023	R	GAIL L. NORTON 4603 29TH ST LUBBOCK, TX 79410-1717	R
JAN KERR 103 TEJON CANYON RD PLACITAS, NM 87043	R	ELOISE COOPER HOWARD 1558 OKRAY AVE PLOVER, WI 54467	R
GINGAH KERR MILNES 3825 GRANADA AVE BIG PINE KEY, FL 33043	R	ROBERT ALSTON 205 WILDER HOOKS, TX 75561-5052	R

HARE PRODUCTION COMPANY LTD 1601 E. BLANCO BLVD BLOOMFIELD, NM 87413-6033	O	SHERMAN H. NORTON, JR. 1950 S AVE S LEVELLAND, TX 79336	R
PAULINE WARNER MILLER P.O. BOX 264 LORDSBURG, NM 88045-0264	R	WALTER L. & MARY ANN NORTON JOINT TENANTS BY ENTIRETIES 208 STATE STREET NEWBURGH, IN 47630-1230	R
MERLE L. BEACH C/O SCOTTS BLUFF NATIONAL BANK ACCT NO. 1365412 P.O. BOX 1708 SCOTTS BLUFF, NE 69363-1708	R	MMS CTOC FEDERAL C/O CROSS TIMBERS OIL COMPANY 810 HOUSTON ST STE 2000 FORT WORTH, TX 76102-6298	R
ELDEN R BEACH P.O. BOX 291 LARKSPUR, CO 80118	R	CAROL A. ZAHARA 1519 CHARDONNAY PL WEST BANK BC V4T 2P9 CANADA, 00000	R
RHONDA BEACH MCELHINEY P.O. BOX 631 GRAND JUNCTION, CO 81502-0631	R	SUSAN SAFFRAN 9424 SW 53RD P.O. RTLAND, OR 97219-5044	R
WILLIAM H. AITKEN 70400 BUCKHORN ROAD MONTROSE, CO 81401-8703	R	PEGGY HILL 9427 SW 53RD AVE PORTLAND, OR 97219	R
BETH R. STUART P.O. BOX 27480 HOUSTON, TX 77227-7480	R	GARY A JERMAN & SUSAN J. JERMAN 4194 SOUTH VALENTIA DENVER, CO 80237	R
LEATRICE A. MORELAND P.O. BOX 872 BLOOMFIELD, NM 87413-0872	R	FENNER TUBBS FAMILY L. P. MORGAN STANLEY DEAN WITTER ACCT #313010155 4010 82ND ST #110 LUBBOCK, TX 79423-9940	R
FRANK S. RYBURN C/O MOSS PETROLEUM CO. 2121 SAN JACINTO STREET #970 DALLAS, TX 75201-7991	R	SAN JUAN 1984 PARTNERSHIP SMOKEY OIL COMPANY P. O. BOX 2360 CASPER, WY 82602-2360	W
TRUST A OF ALFRED E ROGERS JR & BETTY T ROGERS REV TRUST AGMT DTD 1-4-94, BETTY ROGERS, TRUSTEE 110 N 4TH ST LOVINGTON, NM 88260-4106	R		
BOW PETROLEUM INC. OF COLORADO 5911 S MIDDLEFIELD RD #100 LITTLETON, CO 80123	R		