



March 7, 2002

MAR 12 2002

Mr. David Catanach
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RE: Administrative Approval to Surface Commingle
Florance D LS #1, Florance D LS #14A & Florance D #14B
Sec 21, T-27-N R-8-W
San Juan County, New Mexico

Dear Mr. Catanach,

XTO Energy, Inc. (XTO) requests administrative approval to surface commingle the Florance D #14B with the Florance D LS #1 & Florance D LS #14A. The Florance D #14B will be new Blanco Mesaverde well. The Florance D LS #1 and Florance D LS #14A are already surface commingled per NMOCD order PC-1025.

All three wells are located on the same Federal Lease #NMNM - 03380 and working, revenue and royalty interest owners are common. Mr. Frank Chavez at the NMOCD Aztec office said that since this is a single lease and all interests are common that interest owner notification was not necessary. The Bureau of Land Management (BLM) has requested that central tank batteries be utilized to minimize land disturbance whenever possible. Production allocation testing is described on the attached document.

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

1. Well information table.
2. Battery schematic of proposed installation.
3. Well location plat.
4. Proposed testing schedule and procedure for allocation purposes.

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

564-6723

Sincerely,
XTO ENERGY, INC


Darrin L. Steed
Operations Engineer

Enclosures

Cc: DLS File
Well File
GLM

C:\Work\Surface Commingles\Florance D LS #1, #14A & #14B.doc

Proposed Testing Procedure and Schedule

The Florance D LS #1 produces no water or oil. Gas production is measured at the allocation meter #22024 prior to compression.

The Florance D #14B will have all oil, water and gas commingled at the Florance D LS #14A separator. Allocation of oil, water and gas between these two wells will be determined on a semiannual basis. Since the Florance D #14B is a new well and more prone to production rate variance it will be shut in during testing. The Florance D LS #14A was completed in 1995 and will maintain a stable production rate over the six month allocation period.

The Florance D #14B will be shut in until a stabilized flow rate is obtained from the Florance D LS #14A. All oil and water production will be measured daily to obtain average volumes for allocation. Production from the Florance D LS #14A will be determined by the following equation:

$$\text{Gas Production} = \text{Volume @ meter \#97929} - \text{Volume @ meter \#22024} + \text{Fuel Usage.}$$

This daily average volume will be allocated to this well for the six month period following each test. Once testing is completed the production from the Florance D #14B will be determined by the following equation:

$$\begin{aligned} \text{Gas Production} = & \text{Volume @ meter \#97929} - \text{Volume @ meter \#22024} \\ & + \text{Fuel Usage} - \text{Florance D LS \#14A allocation.} \end{aligned}$$

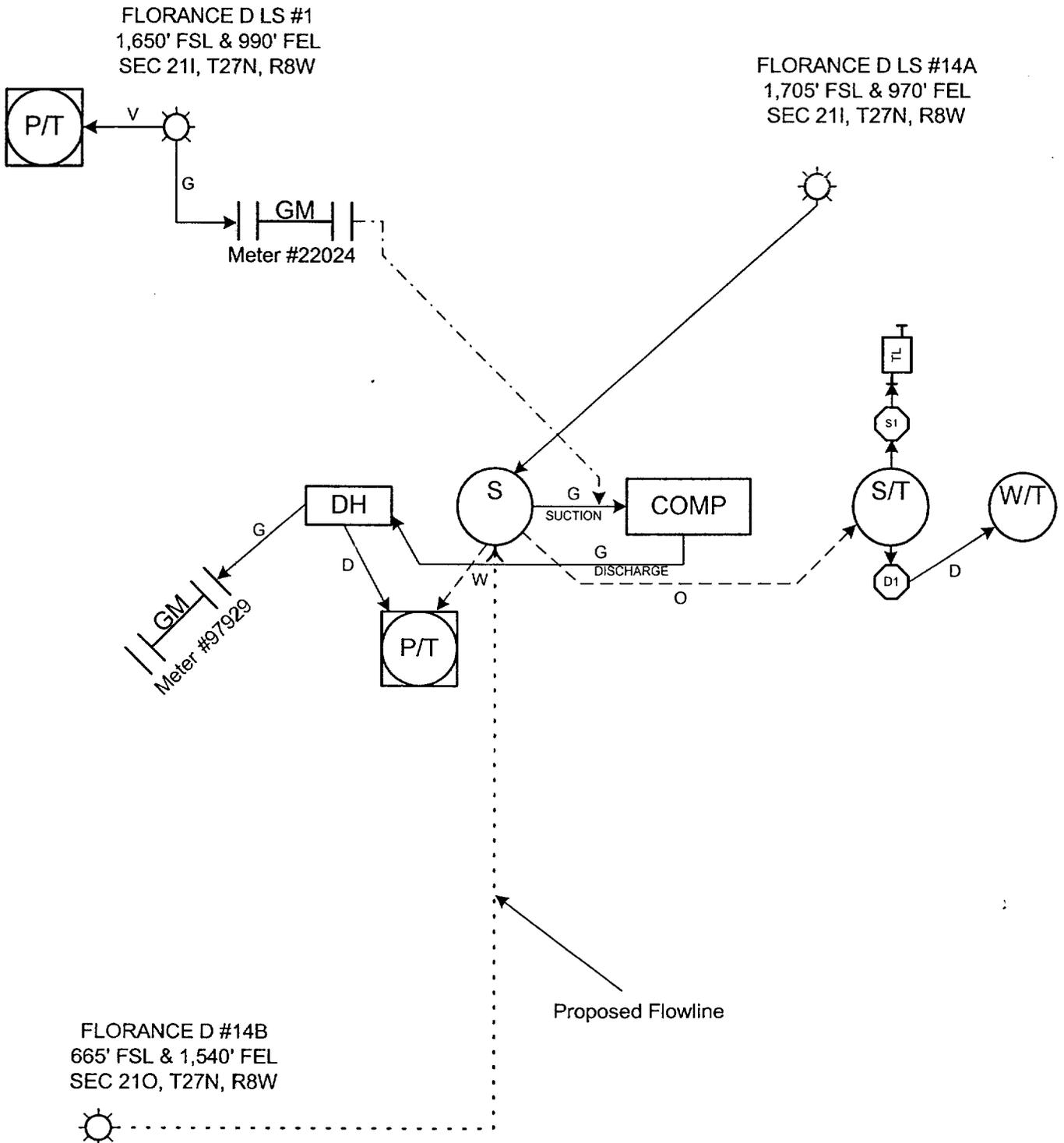
$$\text{Oil and Water Production} = \text{Total volume for each product} - \text{Florance D LS \#14A allocation.}$$

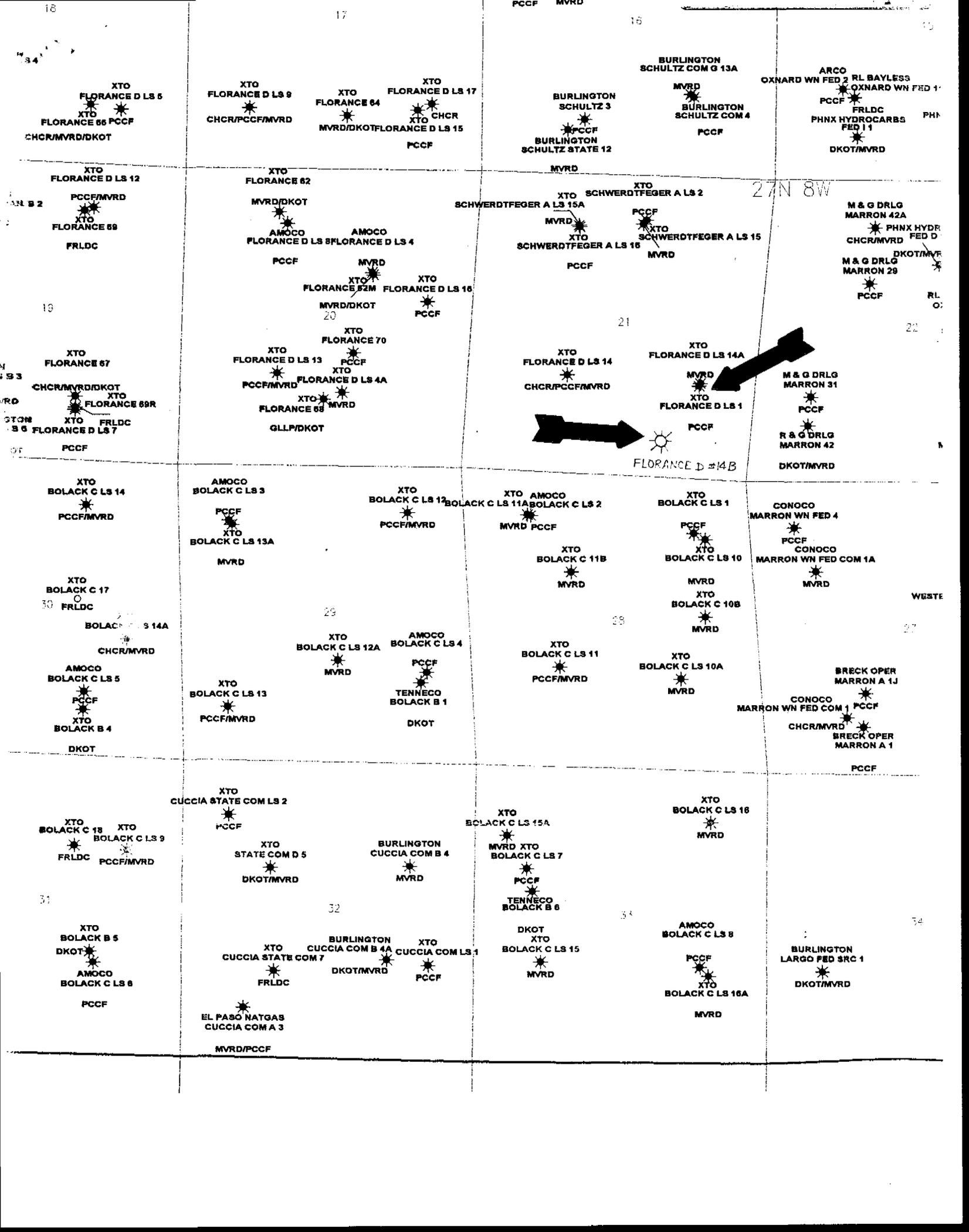
Well Information

	Florance D LS #1	Florance D LS #14A	Florance D #14B
Location	Sec 21I, T27N, R8W	Sec 21I, T27N, R8W	Sec 21O, T27N, R8W
Formation	Pictured Cliffs	Mesaverde	Mesaverde
API #	30-045-06342	30-045-29246	30-045-30819
Pool Name	South Blanco	Blanco	Blanco
Pool Code	72439	72319	72319
Gas Gravity	.672	.793	Est .79
Gas Rate (MCFD)	34	128	Est. 250
Oil Gravity	NA	64	Est. 64
Oil Rate (BPD)	0	0.3	Est 2.0
Water Rate (BPD)	0	0.5	Est. 1.0
WI	100%	100%	100%
NRI	67.5%	67.5%	67.5%

Production volumes are averaged over the past 11 months.

XTO ENERGY, INC
PROPOSED COMMINGLING SCHEMATIC
FLORANCE D LS #1, FLORANCE D LS #14A & FLORANCE D #14B
SE/4 SEC. 21, T27N, R8W
Fed Lease #: NMNM - 03380





XTO
FLORANCE D LS 5
XTO
FLORANCE 66 PCCF
CHCR/MVRD/DKOT

XTO
FLORANCE D LS 9
CHCR/PCCF/MVRD

XTO
FLORANCE 64
MVRD/DKOT
XTO
FLORANCE D LS 17
XTO
CHCR
XTO
FLORANCE D LS 15
PCCF

BURLINGTON
SCHULTZ COM G 13A
MVRD
BURLINGTON
SCHULTZ COM 4
PCCF
BURLINGTON
SCHULTZ STATE 12
MVRD

ARCO
OXNARD WN FED 2
OXNARD WN FED 1
PCCF
FRLDC
PHNX HYDROCARBS
FED 11
DKOT/MVRD

XTO
FLORANCE D LS 12
PCCF/MVRD
XTO
FLORANCE 69
FRLDC

XTO
FLORANCE 62
MVRD/DKOT
AMOCO
FLORANCE D LS 8
AMOCO
FLORANCE D LS 4
PCCF
MVRD
XTO
FLORANCE 62M
MVRD/DKOT
XTO
FLORANCE D LS 16
PCCF

SCHWERTFEGER A LS 15A
MVRD
XTO
SCHWERTFEGER A LS 16
PCCF
XTO
SCHWERTFEGER A LS 2
PCCF
XTO
SCHWERTFEGER A LS 15
MVRD

M & G DRLG
MARRON 42A
PHNX HYDR
FED D
DKOT/MVRD
M & G DRLG
MARRON 29
PCCF
R.L.
O.

XTO
FLORANCE 67
CHCR/MVRD/DKOT
XTO
FLORANCE 68R
FRLDC
XTO
FLORANCE D LS 7
PCCF

XTO
FLORANCE D LS 13
PCCF
XTO
FLORANCE D LS 4A
PCCF/MVRD
XTO
FLORANCE 68
MVRD
GLLP/DKOT

XTO
FLORANCE D LS 14
CHCR/PCCF/MVRD

XTO
FLORANCE D LS 14A
MVRD
XTO
FLORANCE D LS 1
PCCF

M & G DRLG
MARRON 31
PCCF
R & G DRLG
MARRON 42
DKOT/MVRD

XTO
BOLACK C LS 14
PCCF/MVRD

AMOCO
BOLACK C LS 3
PCCF
XTO
BOLACK C LS 13A
MVRD

XTO
BOLACK C LS 12
PCCF/MVRD

XTO AMOCO
BOLACK C LS 11A
BOLACK C LS 2
MVRD PCCF

XTO
BOLACK C LS 1
PCCF
XTO
BOLACK C LS 10
MVRD

CONOCO
MARRON WN FED 4
PCCF
CONOCO
MARRON WN FED COM 1A
MVRD

XTO
BOLACK C 17
FRLDC
BOLACK C LS 14A
CHCR/MVRD

XTO
BOLACK C LS 12A
MVRD
AMOCO
BOLACK C LS 4
PCCF

XTO
BOLACK C LS 11
PCCF/MVRD

XTO
BOLACK C LS 10A
MVRD

BRECK OPER
MARRON A 1J
CONOCO
MARRON WN FED COM 1
PCCF
CHCR/MVRD
BRECK OPER
MARRON A 1
PCCF

AMOCO
BOLACK C LS 5
PCCF
XTO
BOLACK B 4
DKOT

XTO
BOLACK C LS 13
PCCF/MVRD

TENNECO
BOLACK B 1
DKOT

XTO
CUCCIA STATE COM LS 2
PCCF

XTO
STATE COM D 5
DKOT/MVRD

BURLINGTON
CUCCIA COM B 4
MVRD

XTO
BOLACK C LS 15A
MVRD
XTO
BOLACK C LS 7
PCCF
TENNECO
BOLACK B 6
DKOT

XTO
BOLACK C LS 18
MVRD

XTO
BOLACK C 18
FRLDC
XTO
BOLACK C LS 9
PCCF/MVRD

XTO
CUCCIA STATE COM 7
FRLDC

BURLINGTON
CUCCIA COM B 4A
DKOT/MVRD
XTO
CUCCIA COM LS 1
PCCF

DKOT
XTO
BOLACK C LS 15
MVRD

AMOCO
BOLACK C LS 8
PCCF
XTO
BOLACK C LS 16A
MVRD

BURLINGTON
LARGO FED SRC 1
DKOT/MVRD

XTO
BOLACK B 5
DKOT
AMOCO
BOLACK C LS 6
PCCF

EL PASO NATGAS
CUCCIA COM A 3
MVRD/PCCF

DATE IN	SUSPENSE	EMERGENCY	LOGGED IN	TYPE	APP NO
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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.

Darrin Steed		Operations Engineer	3/25/02
Print or Type Name	Signature	Title	Date
		Darrin.Steed@xtcoenergy.com	
		e-mail Address	