DATE IN 5/3/02	SUSPENSE NA	ENGINEER WJ	LOGGED IN KW	TYPE PC	APP NO. pKRV0213538359

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]

MAY - 3 2002

[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	Darrin Steed	Operations Engineer	4/15/02
Print or Type Name	Signature	Title	Date

Darrin_Steed@XTOEnergy.com
e-mail Address

XTO ENERGY

April 24, 2002

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

RE: Administrative Approval to Surface Commingle
Bolack C LS #1, Bolack C LS #10 & Bolack C #10B
Sec 28, 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 above mentioned wells. All gas would be surfaced commingled through a single existing wellhead compressor. Each well's oil and water production will be kept separate and not commingled.

Utilizing a single wellhead compressor will help all three wells overcome sales line pressure and thereby maximize each well's productivity. The lower operating costs resulting from shared compression will extend the economic life of all wells thus increasing their ultimate recoveries.

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

1. Well information table.
2. Gas production allocation formula sheet.
3. Battery schematic of proposed installation.
4. Well location plat.

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

Sincerely,
XTO ENERGY, INC

Darrin Steed

Darrin L. Steed
Operations Engineer

Enclosures

Cc: Gary Markestad
Well File
DLS File

C:\Work\Surface Commingles\Bolack C #1, #10 & #10B.doc

Well Information

	Bolack C LS #1	Bolack C LS #10	Bolack C #10B
Location	Sec 28A, T27N R8W	Sec 28A, T27N R8W	Sec 28H, T27N, R8W
Formation	Pictured Cliffs	Mesaverde	Mesaverde
API #	30-045-06273	30-045-06271	30-045-30657
Pool Name	South Blanco	Blanco	Blanco
Pool Code	72439	72319	72319
Gas Gravity	.751	.799	.600
Gas Rate (MCFD)	58	94	161
Oil Gravity	NA	NA	50.4
Oil Rate (BPD)	0	0	1.7
Water Rate (BPD)	0.1	0.1	3.1
WI	100%	100%	100%
NRI	72.59510%	72.59510%	72.59510%

Gas Allocation Formula

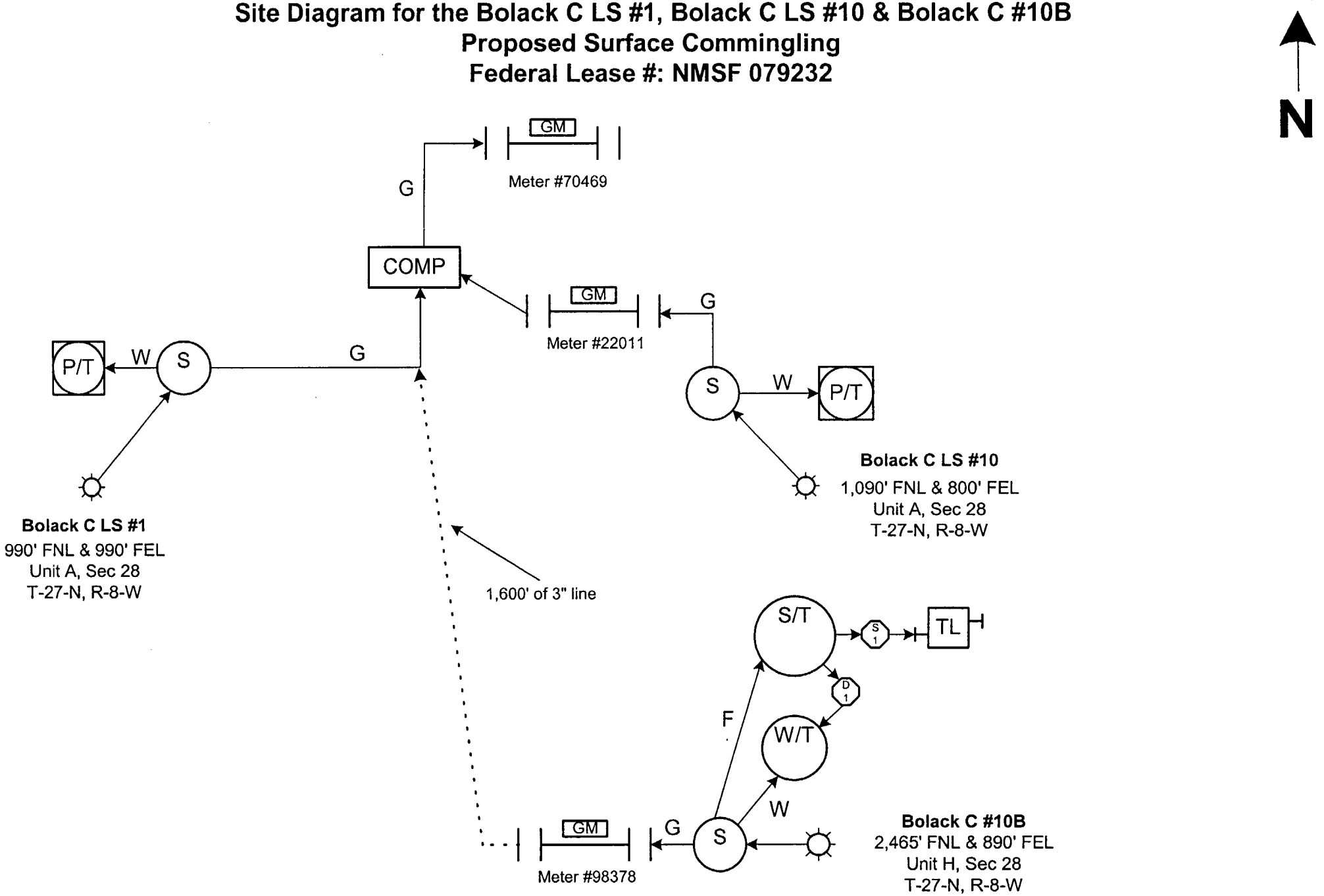
The El Paso Field Services (EPFS) meter and meter runs will remain in place. Gas volumes for the Bolack C LS #1 will be determined by the following formula:

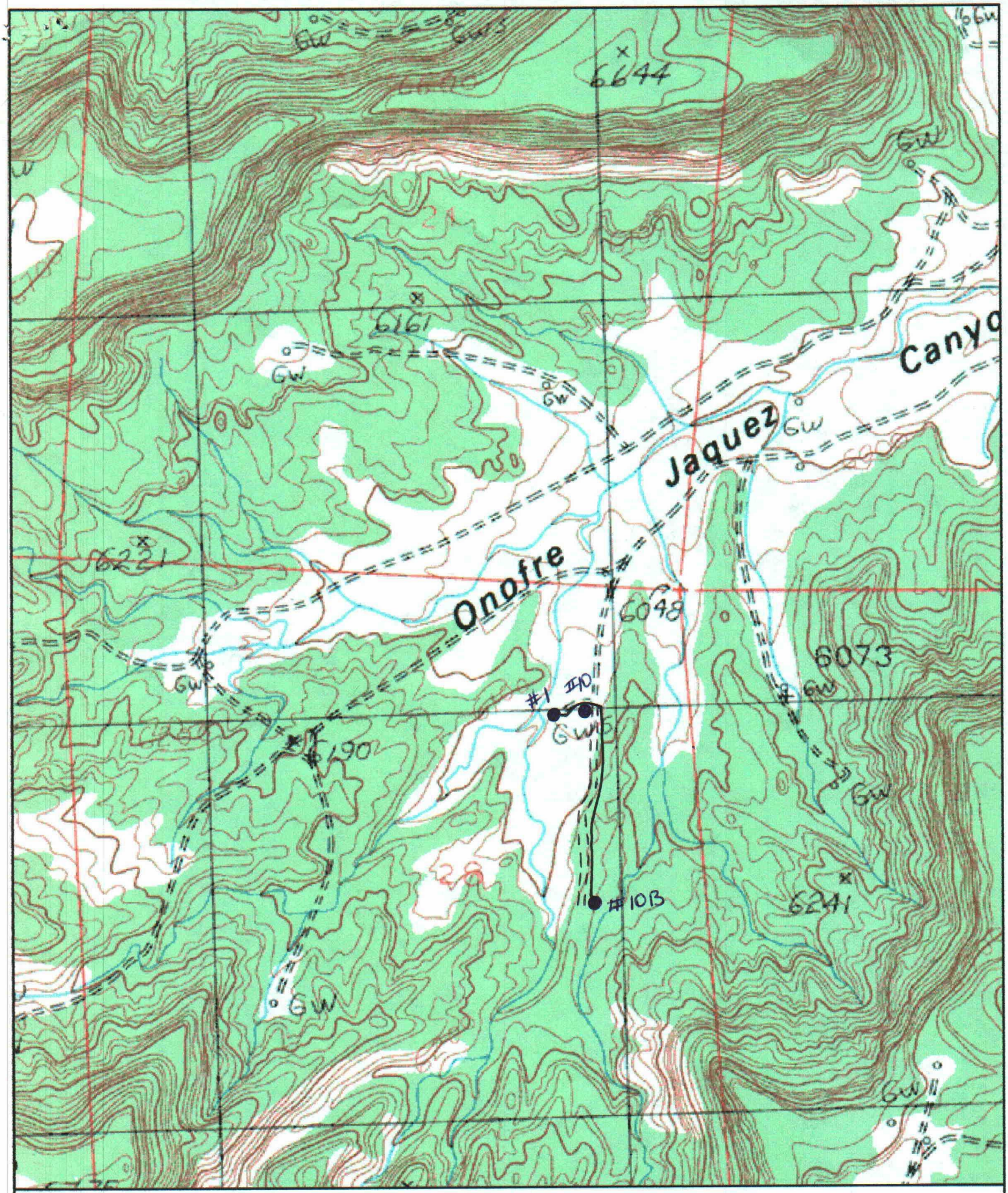
Bolack C LS #1 Production = Meter #70469 – Meter #22011 – Meter #98378
+ Allocated compressor fuel gas

The compressor's fuel gas will be allocated based on each wells production. The fuel gas usage is estimated to be 14.4 MCFD for the compressor.

No commingling of oil or water will occur. Production and sales will be based on actual measured volumes from each well.

XTO ENERGY INC
Site Diagram for the Bolack C LS #1, Bolack C LS #10 & Bolack C #10B
Proposed Surface Commingling
Federal Lease #: NMSF 079232





Name: FRESNO CANYON
Date: 4/15/102
Scale: 1 inch equals 1000 feet

Location: 036° 33' 05.4" N 107° 41' 03.3" W
Caption: Surface Commingling
Bolack C #1, #10, ~~#10B~~ #10B
XTO Energy Inc