

DATE 8/19/02	SUSPENSE NA	ENGINEER WJ	LOGGED IN MV	TYPE PC	APP NO. 223246987
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AMEND

#1054

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 _____

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- [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 Aug 2, 2002
 Print or Type Name Signature Title Date

Darrin-Steed@XTOEnergy.com
 e-mail Address



August 2, 2002

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

RE: Administrative Approval to Amend Surface Commingle Order PC-1054
Florance #64, #64F & Florance D LS #15
Sec 17, T-27-N R-8-W
San Juan County, New Mexico

Dear Mr. Catanach,

XTO Energy, Inc. (XTO) requests an amendment to include the Florance #64F. All production from this well will be commingled at the Florance #64 battery.

All three wells are located on the same Federal Lease NMNM – 03380. Since all working, revenue and royalty interest owners are common 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. 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

A handwritten signature in cursive script that reads 'Darrin Steed'.

Darrin L. Steed
Operations Engineer

Enclosures

Cc: GLM
DLS
Well File

C:\Work\Surface Commingles\Florance #64, #64F & D LS #15.doc

Florance #64, #64F & Florance D LS #15

Proposed Testing Procedure and Schedule

The Florance D LS #15 produces no water or oil. Gas production is measured at the allocation meter #22108 prior to compression.

The Florance #64F will have all oil, water and gas commingled at the Florance #64 separator. Allocation of oil, water and gas between these two wells will be determined on a semiannual basis. Since the Florance #64F is a new well and more prone to production rate variance it will be shut in during testing. The Florance #64 was completed in 1966 and will maintain a stable production rate over the six month allocation period.

The Florance #64F will be shut in until a stabilized flow rate is obtained from the Florance #64. All oil and water production will be measured daily to obtain average volumes for allocation. Production from the Florance #64 will be determined by the following equation:

$$\text{Gas Production} = \text{Volume @ meter \#75567} - \text{Volume @ meter \#22108} + \text{Fuel Usage.}$$

This daily average volume will be allocated to this well for the six month period following each test. Fuel usage will be allocated based wells production. Once testing is completed the production from the Florance #64F will be determined by the following equation:

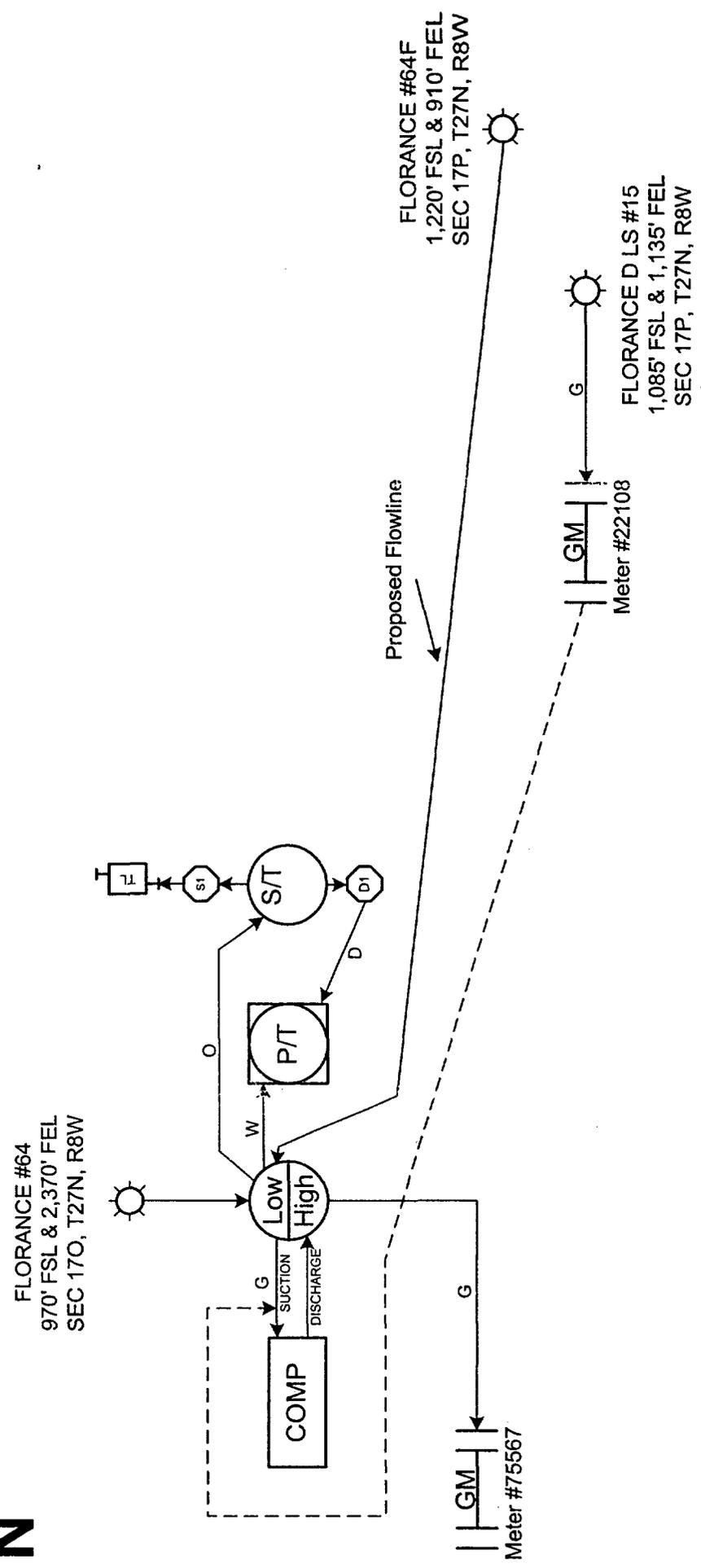
$$\text{Gas Production} = \text{Volume @ meter \#75567} - \text{Volume @ meter \#22108} \\ + \text{Fuel Usage} - \text{Florance \#64 allocation.}$$

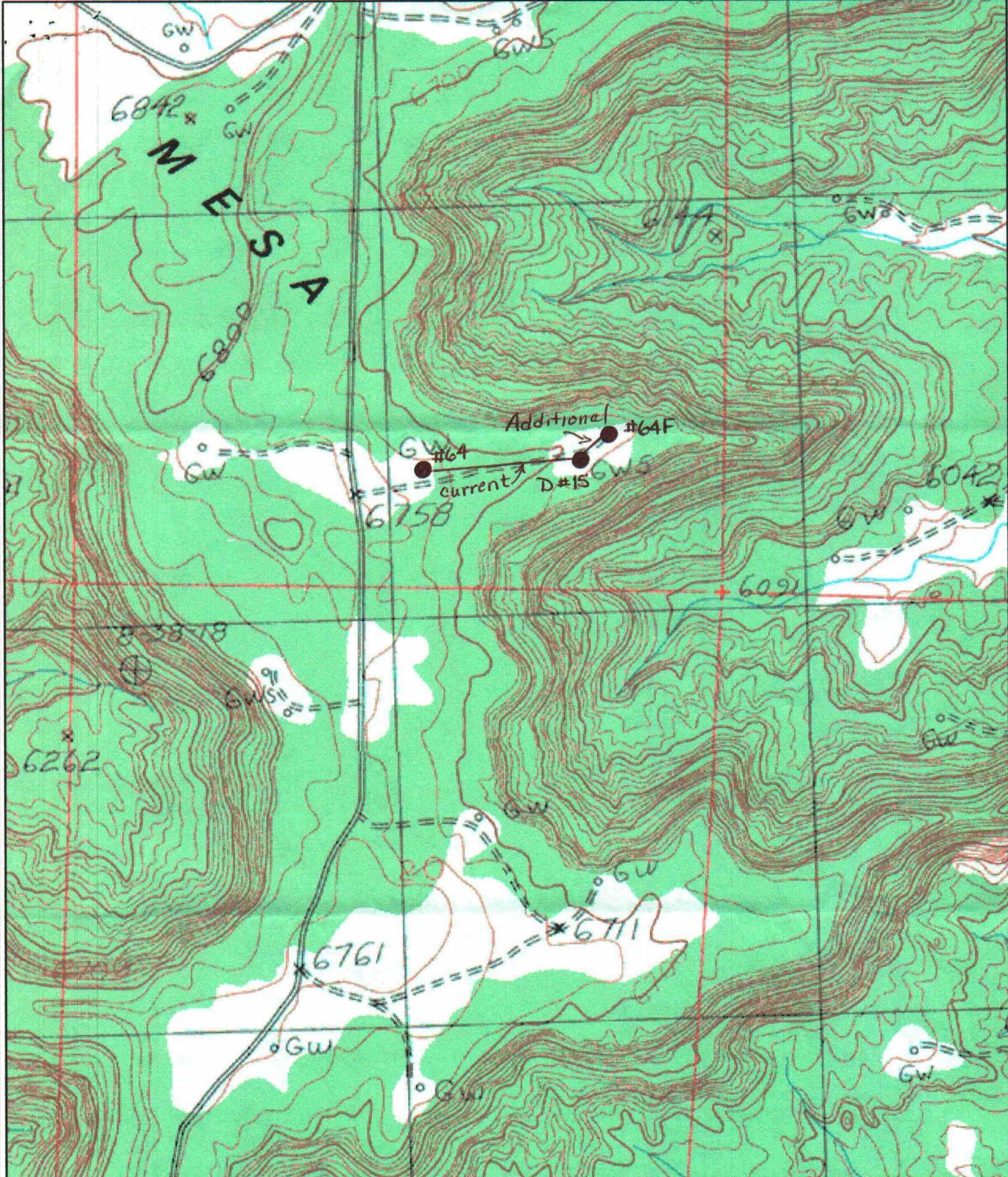
$$\text{Oil and Water Production} = \text{Total volume for each product} - \text{Florance \#64 allocation.}$$

Well Information

	Florance #64	Florance #64F	Florance D LS #15
Location	Sec 17O, T27N R8W	Sec 17P, T27N R8W	Sec 17P, T27N R8W
Formation	Mesaverde/Dakota	Mesaverde/Dakota	Pictured Cliffs
API #	30-045-11872	30-045-31126	30-045-06450
Pool Name	Blanco/Basin	Blanco/Basin	South Blanco
Pool Code	72319/71599	72319/71599	72439
Gas Gravity	.83	Est .83	.659
Gas Rate (MCFD)	140	Est 500	17
Oil Gravity	62	Est 62	NA
Oil Rate (BPD)	0.3	Est 0.5	0
Water Rate (BPD)	0.1	Est 0.5	0

XTO ENERGY, INC
PROPOSED COMMINGLING SCHEMATIC
FLORANCE #64, #64F & FLORANCE D LS #15
SE/4 SEC. 17, T27N, R08W
Fed Lease #: NMNM - 03380





Name: FRESNO CANYON
 Date: 8/2/102
 Scale: 1 inch equals 1000 feet

Location: 036° 34' 01.7" N 107° 42' 04.1" W
 Caption: XTO Energy Inc
 Surface Commingling
 Florence #64, #64F_D #15

AP	WELL NAME	Lease Pool	Days	2002	Gas	2000	Oil	2002	Wat	2002	Gas	2001	Oil	2001	Wat	2001	Gas	2000	Oil	2000	Wat	2000	PROP	NER
30-045-	FLORENCE D LS #008	OTERO CHACRA (GAS)	C	120	16329	7	0	69300	84	282	61967	127	200	22609										
30-045-	FLORENCE #063M	BLANCO-MESAVERDE (PRORATED GAS)	M/D	120	17106	166	160	51914	404	212	54985	446	0	22608										
30-045-	FLORENCE #064	BLANCO-MESAVERDE (PRORATED GAS)	M/D	120	20766	230	140	70635	785	450	74061	344	250	22608										
30-045-	FLORENCE #063E	BLANCO-MESAVERDE (PRORATED GAS)	M/D	119	18903	54	160	53540	100	300	62076	160	356	22608										
30-045-	FLORENCE #064F	BLANCO-MESAVERDE (PRORATED GAS)	M/D	0	0	0	0	0	0	0	0	0	0	22608										
30-045-	FLORENCE D LS #015	BLANCO P. C. SOUTH (PRORATED GAS)	PC	82	603	0	0	4937	0	0	7117	0	0	22609										
30-045-	FLORENCE D LS #003	BLANCO P. C. SOUTH (PRORATED GAS)	PC	113	1922	0	0	6825	0	0	10338	0	0	22609										
30-045-	FLORENCE D LS #002	BLANCO P. C. SOUTH (PRORATED GAS)	PC	119	3906	0	80	12837	0	260	14371	0	194	22609										
30-045-	FLORENCE D LS #017	BLANCO P. C. SOUTH (PRORATED GAS)	PC	0	0	0	0	0	0	0	266	0	158	22609										