

## Catanach, David

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**From:** Holly\_Perkins@xtoenergy.com  
**Sent:** Thursday, September 23, 2004 1:47 PM  
**To:** Catanach, David  
**Subject:** RE: Fullerton Application



Fullerton Fed CDP  
#6 App for s...



Fullerton Federal  
CDP #6 Secon...

this is going to post office to be certified this afternoon.

(See attached file: Fullerton Fed CDP #6 App for surf Cmgl (C107B).DOC) (See attached file: Fullerton Federal CDP #6 Second Ltr to Owners.doc)

Holly C. Perkins  
Regulatory Compliance Tech  
XTO Energy Inc.  
(505) 564-6720  
holly\_perkins@xtoenergy.com

"Catanach, David"  
<DCATANACH@state.  
nm.us>

09/23/2004 08:07  
AM

"Holly\_Perkins@xtoenergy.com"  
<Holly\_Perkins@xtoenergy.com>

To

cc

Subject

RE: Fullerton Application

Holly,

If you read Rule 303.B(4)(d)(iii), you will note that the rule does require you to submit a copy of the application to all interest owners. It says: "The applicant shall submit a statement attesting that applicant, on or before the date the application was submitted to the Division, sent notification to each of the interest owners by submitting a copy of the application and all attachments thereto, by certified mail, return receipt requested." Please advise me when you have provided a

copy  
of the application to the interest owners as required by this rule.

David

-----Original Message-----

From: Holly\_Perkins@xtoenergy.com [mailto:Holly\_Perkins@xtoenergy.com]  
Sent: Wednesday, September 22, 2004 3:59 PM  
To: Dcatanach@state.nm.us  
Subject: Fullerton Application

The interest owners are different in the Fullerton Fed #241 and the Fullerton Fed 24 #43. We did not send a copy of the application with our letter. It doesn't say in the regs that we needed to, so I didn't do it. Is this something that you just recommend us doing, or do we need to do? Think I included list of owners plus our letter to them. If you didn't get and you need, please let me know.

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District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
1301 W. Grand Ave, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised June 10, 2003

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: XTO ENERGY INC.

OPERATOR ADDRESS: 2700 FARMINGTON AVE, SUITE K-1

APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. \_\_\_\_\_

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
KUTZ W PICTURED CLIFFS 79680	0.6720			0 MCF
BASIN FRUITLAND COAL 71629	0.6320			24 MCF

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

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

SIGNATURE: \_\_\_\_\_

TITLE: REGULATORY COMPLIANCE TECH

DATE: 9/10/04

TYPE OR PRINT NAME HOLLY C. PERKINS

TELEPHONE NO.: (505) 564-6720

E-MAIL ADDRESS: Holly\_perkins@xtoenergy.com



2700 Farmington Ave, K-1 Farmington, NM 87401  
Phone: (505) 324-1090 FAX: (505) 564-6700

September 23, 2004

RE: Notice to Working and Royalty Interest Owners  
Application to Surface Commingle Gas Production  
San Juan County, NM

XTO Energy Inc. has applied to the New Mexico Oil Conservation Division (NMOCD) and Bureau of Land Management (BLM) for approval to surface commingle gas production from the Fullerton Federal #241 and the Fullerton Federal 24 #43. Both wells are located in Section 24, T27N, R11W, San Juan County. The NMOCD requires all interest owners be notified of plans to surface commingle when ownership is different between wells. **Enclosed with notification should have been our application for surface commingle. The application was inadvertently omitted from the original letter dated July 15, 2004, but is now enclosed for your perusal.**

Produced gas from each well will be measured separately prior to being commingled. We plan to produce the commingled gas through a shared compressor. Produced liquids will not be surface commingled. In the future, additional wells, pools, and acreage may be added to this surface commingle or this gathering system. At such time, as an owner in this system, you will not be noticed as this commingle is expanded unless this method of allocating production between pools and wells changes.

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 you must file a protest in writing to the NMOCD Santa Fe office at 1220 So. St. Francis Drive, Santa Fe, NM 87505 within 20 days from the date the NMOCD received the application.

Sincerely,

Holly C. Perkins  
Regulatory Compliance Tech

xc: Well Files  
FW Land Dept.  
NMOCD, Aztec

**Catanach, David**

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**From:** Holly\_Perkins@xtoenergy.com  
**Sent:** Thursday, September 23, 2004 8:14 AM  
**To:** Catanach, David  
**Subject:** RE: Fullerton Application

I will send notice out today and then let you know when they have gone out. I misunderstood and thought I just needed to send letter to them. Thanks for advising me on correct way to do theese. Hoping that eventually I'll get this process down pat and not have any more snafus. Will Jones has helped me a lot in this process also. You guys in Santa Fe are appreciated!!

Holly C. Perkins  
Regulatory Compliance Tech  
XTO Energy Inc.  
(505) 564-6720  
holly\_perkins@xtoenergy.com

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## Catanach, David

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**Subject:** RE: Fullerton Application

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## Catanach, David

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**From:** Catanach, David  
**Sent:** Monday, September 20, 2004 9:32 AM  
**To:** 'Holly\_Perkins@xtoenergy.com'  
**Subject:** Fullerton App

Holly, I am reviewing your application to surface commingle the Fullerton Fed No. 241 and Fullerton Fed "24" No. 43. Got a couple of questions. Is the interest ownership different between the two wells? Also, I know you sent a letter to the interest owners, but did you also send an actual copy of the application? Thanks for the help.

David Catanach  
(505) 476-3466