- Engineering Bureau - 1220 South St. Francis Drive, Santa Fe, NM 87505

ABOVE THIS LINE FOR DIVISION USE ONLY

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]

[FOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

	[-O.	L. H. Solito F. Sanction 100	ppenoo1	
[1]	TYPE OF AP	PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD XTO's Florance 74	where XI	0'5
	Check	One Only for [B] or [C]	Mart	127
	[B]	Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM	O FIRM	5-06313
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR	II 30.	Conservation Division 0 S. St. Francis Drive anta Fe, NM 87505
	[D]	Other: Specify		ion D ancis IM 87
[2]	NOTIFICATI	ON REQUIRED TO: - Check Those Which Apply, or _ Does Not Apply		ervation St. Franc Fe, NM
[~]	(A)	Working, Royalty or Overriding Royalty Interest Owners	AN C	l Conser 20 S. St. Santa Fe
	B	Offset Operators, Leaseholders or Surface Owner		Oil Cor 1220 S. Santa
	[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.

Print or Type Name

Signature

Title

Date

BRIAN WOOD (505) 466-8120 FAX 466-9682

Rialoge

CONSULTANT

1-15-05

e-mail Address

brian@permitswest.com



REQUEST FOR ADMINISTRATIVE APPROVAL FOR NONSTANDARD LOCATION FOR XTO ENERGY INC.

FLORANCE 74

2250' FSL & 790' FEL SEC. 19, T. 27 N., R. 8 W., SAN JUAN COUNTY, NM

- I. The well is on BLM surface and on BLM oil and gas lease (NMNM-0 003380). The proposed location is nonstandard for the Blanco Pictured Cliffs South due to topography. A standard location must be at least 660' from the quarter line. This well is staked 270' further north than is standard. (Closest standard location would be 1980' FSL and 790' FEL.) The APD cover sheet is attached as EXHIBIT A.
- II. A C-102 showing the well location and pro ration unit (SE4 Sec. 19) is attached (EXHIBIT B). Relevant parts of the BLM oil and gas lease (2,400.96 acres) are shown as solid lines on the attached (EXHIBIT C) copy of the Fresno Canyon USGS topo map.

The well encroaches on the NE4 Section 19. The Pictured Cliffs in that quarter section has been dedicated XTO's Florance D LS 12 which is 2,391' north and on the same lease. Pictured Cliffs acreage dedications (quarter sections) are shown on Exhibit D.

III. According to NM Oil Conservation Division records reviewed on January 16, 2005; the closest existing or planned Pictured Cliffs well is XTO's Florance D LS 12 well which is 2,391' north at 790' FNL & 1628' FEL 19-27n-8w and on the same lease. EXHIBIT E shows the proposed well site, Pictured Cliffs dedicated spacing units, and Pictured Cliffs wells (circled on map) within those dedications.

Registered letters were sent on January 15, 2005 to all of the offset interest owners. Copies of the postal receipts and letters are attached.

- IV. A copy of the USGS map is attached (EXHIBIT F). The proposed well site is marked. Pro ration unit (dashed outline) for the Blanco Pictured Cliffs South gas is the 160.00 acre southeast quarter of Section 19, Township 27 North, Range 8 West, San Juan County, NM.
- V. The nonstandard location is due to topography. The closest standard location is on the side of a ≈ 500 ' high cliff on Blanco Mesa.

- VI. Archaeology is not an issue.
- VII. See item V. above and attached map (EXHIBIT G) for a description of the surface conditions.
- VIII. Directional drilling is not feasible because it is not cost effective.
- IX. I hereby certify notice (see attached EXHIBIT H) has been sent to the following lessees, lessors, operators of existing spacing units, or owners of undrilled leases which adjoin the applicant's spacing unit on one or more of the two sides or the single closest corner to the proposed well and that the information is current and correct.

BLM

BP America Production Co.
Burlington Resources Oil and Gas Company
ConocoPhillips Co.
Rio Arriba Investment LLC Co.
Roddy Production Co. Inc.

Brian Wood, Consultant

STATE OF NEW MEXICO

) SS:

COUNTY OF SANTA FE

The foregoing instrument was acknowledged before me this 15th day of January, 2005 by Brian Wood. Witness my hand and official seal.

OFFICIAL SEAL ATHRYN K. WOOD

Notary Public

My Commission Expires: _

Business Address: 37 VERANO LOOP, SANTA FE, NM 87508

cc: Aztec OCD, Patton



1-15-05

Form 3160-3 (August 1999)

UNITED STATES

PORM APPROVED OMB No. 1004-0136 Expires November 30, 2000

DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

Э.	Lease Senai	NO.								
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If Indian, Allot	tce or Tri	ibe Nam	e	

APPLICATION FOR PERMIT TO DI			N/A		
1a. Type of Work: To DRILL REENTS	ER		7. If Unit or CA Agreement,	Name and No. N/A	
1h. Type of Well: Oil Well Gas Well Other	Single Zone 🏼 Mult	iple Zone	8. Lease Name and Well No.	lorance 74	
2. Name of Operator XTO Energy Inc.	•		9. API Well No. 326	707	
3a. Address 2700 Farmington Ave., Bldg K-1 Farmington, NM 87401	3b. Phone No. (include area code) (505) 324-1090		10. Field and Pool, or Explora Blanco PC South, Blan Basin Dakota	tory	
4. Location of Well (Report location clearly and in accordance with	n any State requirements.*)		11. Sec., T., R., M., or Blk. an	d Survey or Area	
At surface 2250' FSL & 790' FEL			19-27n-	8w NMPM	
At proposed prod. zone Same					
14. Distance in miles and direction from nearest town or post office* 13 air miles SE of Blanco Post Office)		12. County or Parish San Juan	13. State NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1,850'	16. No. of Acres in lease 2,400.96	1	ng Unit dedicated to this well 4 (160 acres) & E2	(320 acres	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,538'*	19. Proposed Depth 7,675 '		20. BLM/BIA Bond No. on file BLM nation wide: 57 91 73		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,754' ungraded	22. Approximate date work will s Upon Approval	tart*	23. Estimated duration 4 V	veeks	
	24. Attachments				
The following, completed in accordance with the requirements of Onsh	•		is form:	bond on file (see	

- Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

Comments

*to XTO's Florance 67

APD/ROW (GulfTerra)



	\sim) α		cc: B	LM (& OCD), Patto	วท
25. Signature	Black	Name (Printed/Typed)	Brian Wood	Date 10-3-04	=== .
Title	Consultant	Phone: 505 466-8120	FAX: 505 466-96	82	
Approved by (S	ignature)	Name (Printed/Typed)		Date	
Title		Office			
operations there		the applicant holds legal or equitable title to those ri	ghts in the subject lease which wou	ild entitle the applicant to condu	KT

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DISTRICT | 1625 N. Fench Dr., Hobbs, N.M. 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102
Revised June 10, 2003
Instructions on back
Submit to Appropriate District Office

1301 W. Grand Avenue, Artesia, N.M. 88210

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87504-2088 Appropriate District Office State Lease — 4 Copies Fee Lease — 3 Copies

1000 Rio Brazos Rd., Aztec, N.M. 87410 DISTRICT IV

1220 South St. Francis Dr., Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number ² Pool Code ³ Pool N					
72439, 72319 & 71599	BLANCO PC SOUTH, BLANCO MESA VERDE,	& BASIN DAKOTA			
⁸ Prop	⁸ Property Name				
• FLO	74				
[®] Open	ator Name	* Elevation			
* XTO ENERGY INC.					
	*Prop FLO *Open	*Property Name FLORANCE *Operator Name			

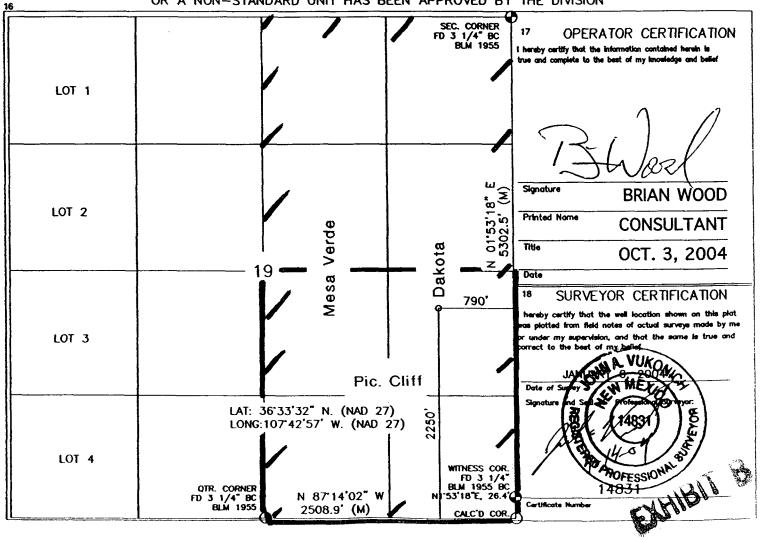
Surface Location

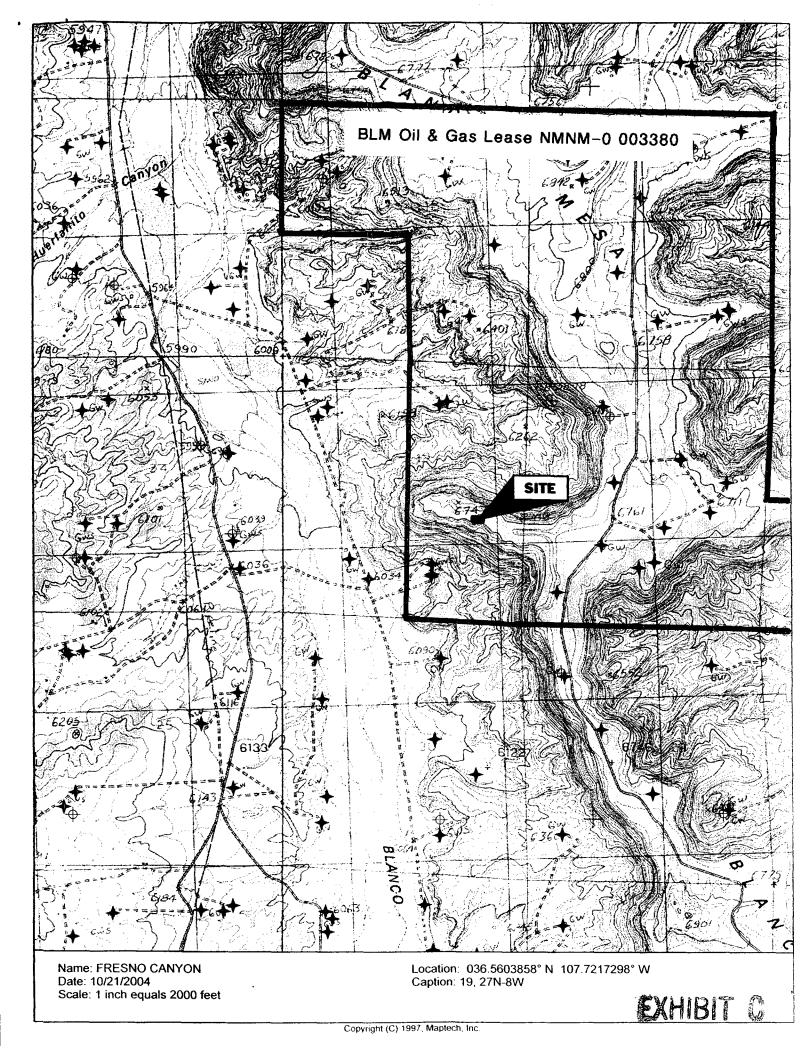
1	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	t -	19	27-N	W-8	•	2250	SOUTH	· 790·	• EAST •	SAN JUAN

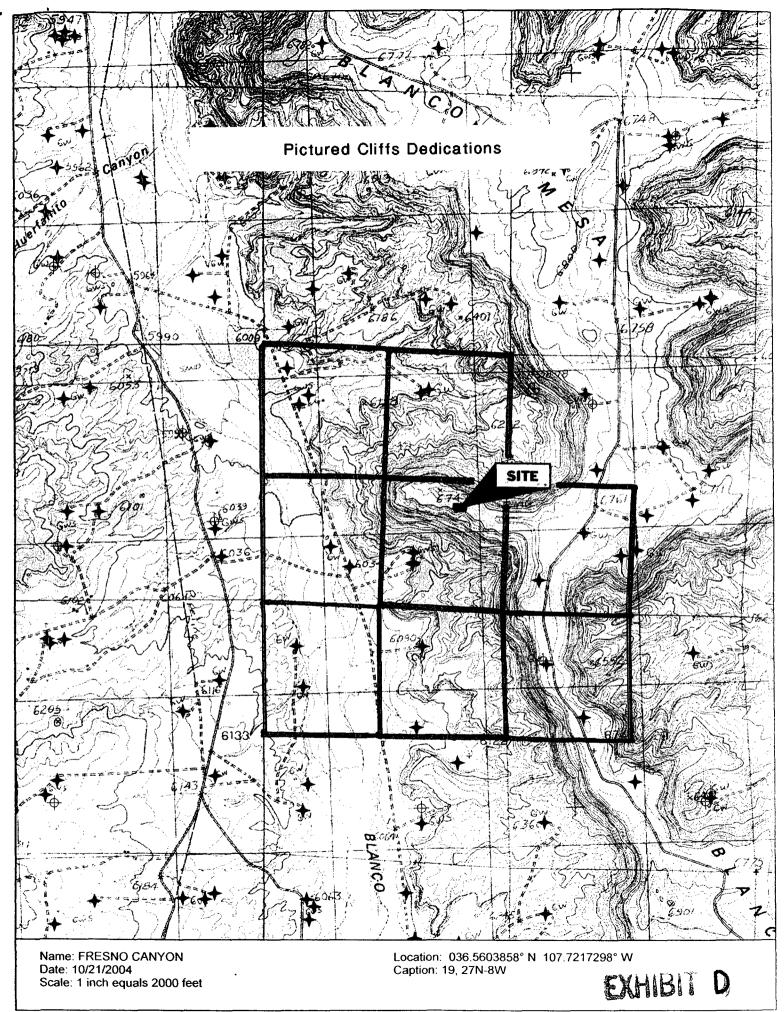
11 Bottom Hole Location If Different From Surface

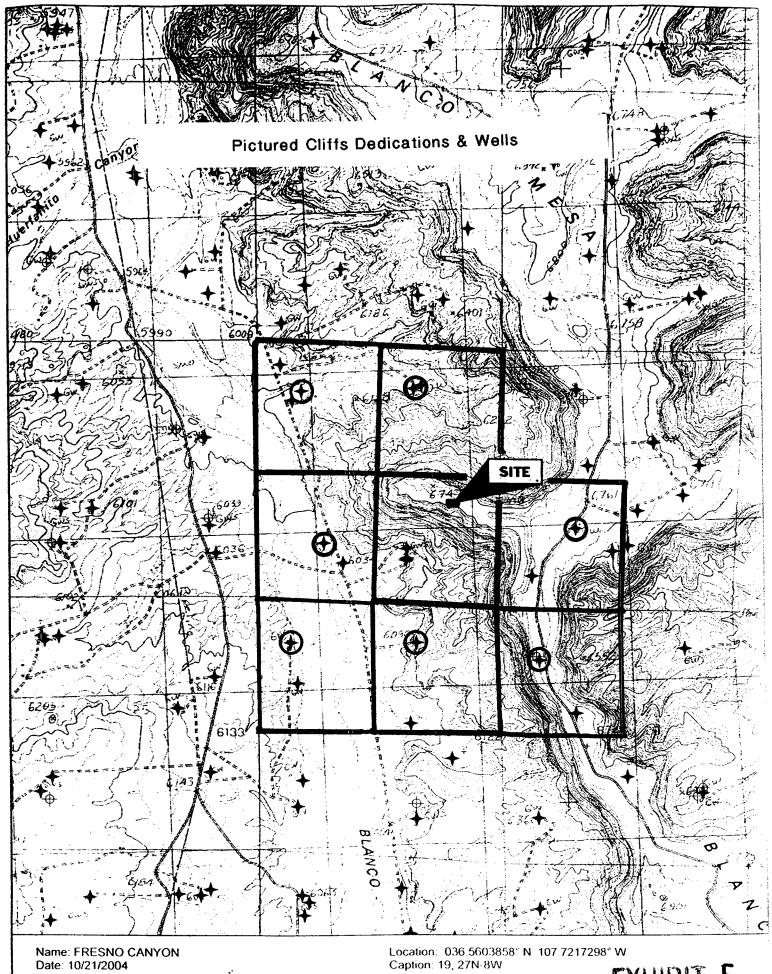
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
² Dedicated Acres		14.7	oint or Infill		¹⁴ Consolidation Co	de	*Order No.	1	
160	& 32	0							

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION





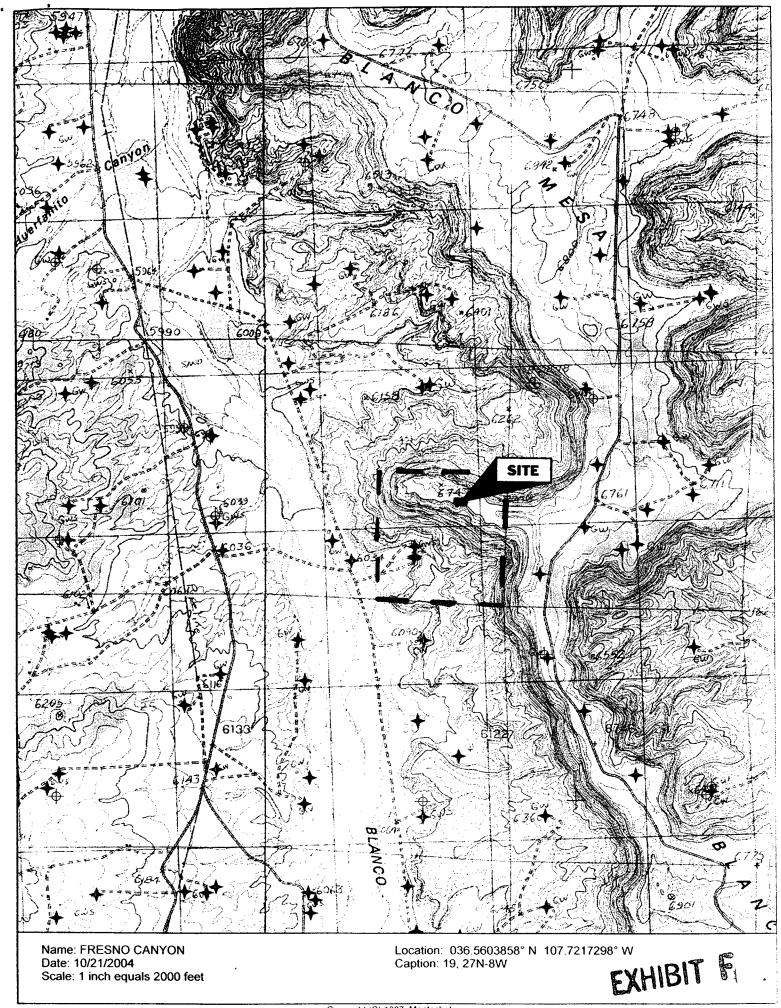


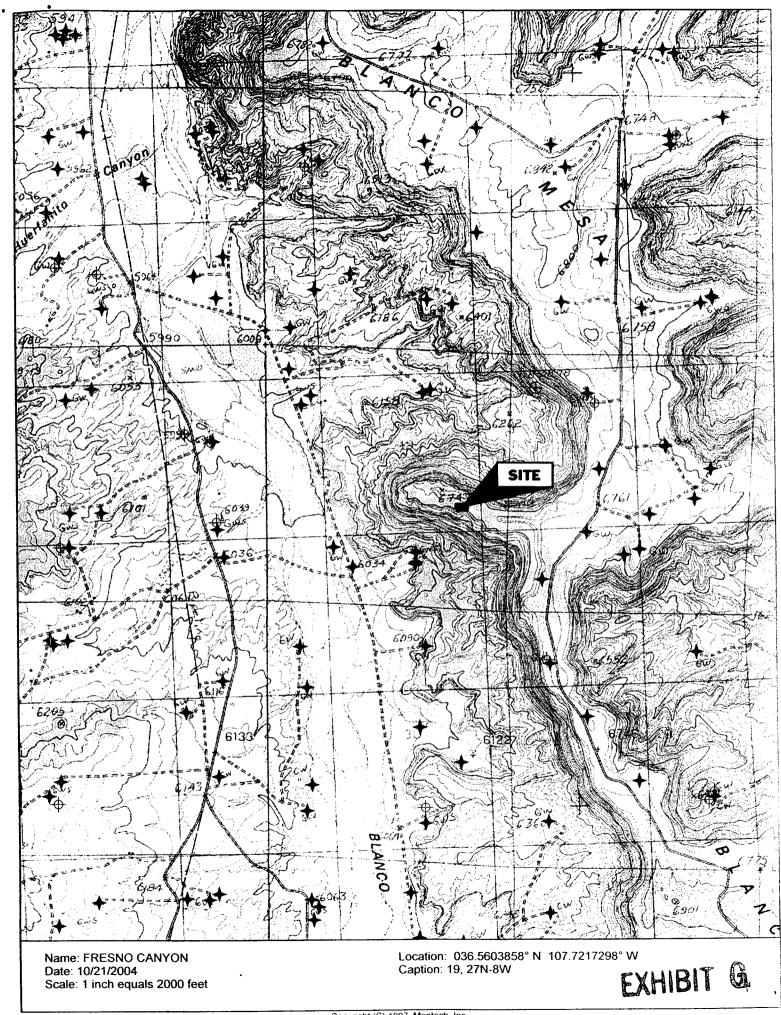


Date: 10/21/2004

Scale: 1 inch equals 2000 feet

EXHIBIT E







BLM 1235 LaPlata Highway Farmington, NM 87401

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

XTO Energy Inc. is applying to drill its Florance 74 gas well. The minimum state distance for such a gas well is 660' from a quarter section line. The proposed well is 270' further north than is standard. Thus, it is a nonstandard location. The NSL is due to topography. It is 790' from the closest lease boundary.

Well Name: Florance 74 Total Depth: 7,675'

Proposed NSL Producing Zones: Blanco Pictured Cliffs South

NSL Acreage Dedication: 160 acres (= SE4)

Location: 2250' FSL & 790' FEL Sec. 19, T. 27 N., R. 8 W.,

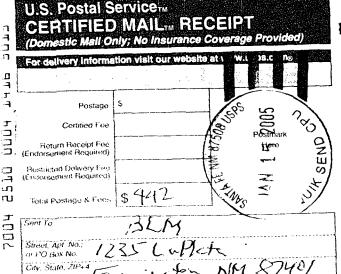
San Juan County, NM on Federal lease NMNM-0 003380

Approximate Location: ≈13 air miles southeast of Blanco, NM

Applicant Name: XTO Energy Inc. (505) 324-1090

Applicant's Address: 2700 Farmington Blvd, Bldg. K-1, Farmington, NM 87401

<u>Submittal Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.



juestions.

Sincerely,

Brian Wood





BP America Production Co. P. O. Box 3092 Houston, TX 77253-3092

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shope number is (505) 476-3440. U.S. Postal Service IM CERTIFIED MAIL... RECEIPT" No Insurance Cov Postage 4000 Certified Fee Return Receipt Fee 2510 Restricted Delivery Fee Total Postage & Fees 400 Street, Apt. No.: or PO Box No City, State Tit's a

estions.

Sincerely,

Brian Wood



Burlington Resources Oil and Gas Company P. O. Box 4289 Farmington, NM 87499

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Street Ant No.

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Sincerely,

Brian Wood



ConocoPhillips Co. P. O. Box 7500 Bartlesville, OK 74005

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Total Postage & Fees

or PO Box No.

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Sincerely,

Brian Wood



Rio Arriba Investment LLC Co. 82 East Devonshire St. Boston, MA 02109

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estions.

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Sincerely,

Brian Wood



Roddy Production Company, Inc. P. O. Box 2221 Farmington, NM 87499

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Restricted Delivery Fee (Endorsement Required)

Total Postage & Fees \$ 142

Sent To

Restricted Total Postage & Fees \$ 142

Sincerely,

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