

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.

Print or Type Name

Signature

Title

Date

e-mail Address

3/24/05

(Suspense 4/10/05)



RECEIVED

MAR 21 2005

OIL CONSERVATION  
DIVISION

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

March 16, 2005

Mr. Will Jones  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

Subject: Application for Exception to Rule 303A  
Downhole Commingle; NMSF077941A  
CA McAdams D #2F  
30-045-32586 Unit O Sec 20-T27N- R10W  
WC Basin Mancos and Basin Dakota

Dear Mr. Jones:

Enclosed please find an administrative application form (C107A) and attachments for downhole commingling for the captioned well. This well is in the process of being drilled at this time and XTO proposes to downhole commingle production as soon as the well is completed. By copy of this application by certified mail, return receipt requested, XTO has notified all offset operators in the formations captioned above as well as all affected interest owners. The Division Director may approve the proposed downhole commingling in the absence of any valid objections from any offset operator or any interest owners within 20 days after the receipt of the application if, in his opinion, waste will not result thereby, and correlative rights will not be violated.

Any questions pertaining to this matter, please call me at (505) 324-1090.

Sincerely,

A handwritten signature in cursive script that reads 'Holly C. Perkins'.

Holly C. Perkins  
Regulatory Compliance Tech

xc: Wellfile  
OCD, Aztec Office

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

|  |
|--|
| WELL API NO.<br>30-045-32586   |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.   |
| 7. Lease Name or Unit Agreement Name<br>CA MCADAMS D                                     |
| 8. Well Number 2F  |
| 9. OGRID Number<br>167067  |
| 10. Pool name or Wildcat<br>BASIN DAKOTA/BASIN MANCOS                                    |

|  |  |
|--|--|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)              |  |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other  |  |
| 2. Name of Operator<br>XTO Energy Inc.   |  |
| 3. Address of Operator<br>2700 Farmington Ave, Suite K-1, Farmington, NM 87401   |  |
| 4. Well Location<br>Unit Letter <u>O</u> : <u>745</u> feet from the <u>South</u> Line and <u>1980</u> feet from the <u>EAST</u> line<br>Section <u>20</u> Township <u>27N</u> Range <u>10W</u> NMPM <u>San Juan</u> County |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>5996' GR   |  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>   |  |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____   |  |
| Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____  |  |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: DOWNHOLE COMMINGLE

X

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER:

☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy, Inc. is requesting an administrative approval for an exemption to Rule 303-C to permit downhole commingling of production from the Basin Dakota pool (71599) and the Basin Mancos pool (97232). These pools are not included in the pre-approved pools established by Division Order R-11363. XTO proposes to downhole commingle these pools upon completion of the well. The proposed allocations are based on an individual pool average EUR from wells located in a nine section surrounding area. See attachments for supporting documentation and plats for this well. Based upon the average EUR XTO proposes to allocate the commingled production as follows:

| Pool         | Gas | Oil |
|--------------|-----|-----|
| Basin-Dakota | 72% | 48% |
| Basin-Mancos | 28% | 52% |

Ownership in this well's pools is not common and notification to WI, ORRI and NRI owners by certified mail has been completed. No objections were received during the 20 day notification period. Downhole commingling will offer an economic method of production while protecting against reservoir damage, waste of reserves, and protecting correlative rights. A sundry notice to subsurface commingle has been filed with the BLM.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Holly C. Perkins TITLE: REGULATORY COMPLIANCE TECH DATE 3/16/05

Type or print name Holly C. Perkins E-mail address: holly\_perkins@xtoenergy.com Telephone No. 505 564-6720

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_

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

State of New Mexico  
Energy, Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-107A  
Revised June 10, 2003

APPLICATION TYPE

Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

DHC-3430

XTO Energy Inc.

Operator

2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

Address

C.A. McADAMS D

#2F

0

20

27N

10W

SAN JUAN

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 167067

Property Code

API No. 30-045-32586

Lease Type: X Federal State Fee

| DATA ELEMENT   | UPPER ZONE             | INTERMEDIATE ZONE | LOWER ZONE             |
|--|------------------------|-------------------|------------------------|
| Pool Name  | WC BASIN MANCOS        |                   | BASIN DAKOTA           |
| Pool Code  | 97232                  | OK                | 71599                  |
| Top and Bottom of Pay Section<br>(Perforated or Open-Hole Interval)  | 5254'<br>6094'         |                   | 6177'<br>6370'         |
| Method of Production<br>(Flowing or Artificial Lift)   | FLOWING                |                   | FLOWING                |
| Bottomhole Pressure<br>(Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)   |                        |                   |                        |
| Oil Gravity or Gas BTU<br>(Degree API or Gas BTU)  | 40* w/1390 BTU         |                   | 59* w/1315 BTU         |
| Producing, Shut-In or New Zone   | Will be Producing      |                   | Will be Producing      |
| Date and Oil/Gas/Water Rates of Last Production<br>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.) | Date:<br>Rates:        | Date:<br>Rates:   | Date:<br>Rates:        |
|  | Date:<br>Rates:        | Date:<br>Rates:   | Date:<br>Rates:        |
| Fixed Allocation Percentage<br>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)                 | Oil: 48 %<br>Gas: 28 % | Oil: %<br>Gas: %  | Oil: 52 %<br>Gas: 72 % |

Are all working, overriding, and royalty interests identical in all commingled zones?

Yes No X

If not, have all working, overriding, and royalty interests been notified by certified mail?

Yes X No

Are all produced fluids from all commingled zones compatible with each other?

Yes X No

Will commingling decrease the value of production?

Yes No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes X No

NMOCD Reference Case No. applicable to this well:

ATTACHMENTS:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of all offset operators.
- Notification list of working, overriding, and royalty interests for uncommon interest cases.
- Any additional statements, data, or documents required to support commingling.

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.
- I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Holly C. Perkins

TITLE REG COMPLIANCE TECH

DATE 3/16/2005

TYPE OR PRINT NAME

HOLLY C. PERKINS

TELEPHONE NO. ( 505 ) 324-1090

E-MAIL Regulatory@xtoenergy.com

**Well**  
**Basin Dakota Gas**

|                   | No                                     | Operator | Sec | Unit | Twn    | Rng   | Reservoir | Cum Gas<br>(mmcf) | Cum Oil<br>(mbo) | Wtr<br>(mbo) | EUR Gas<br>(mmcf) | EUR Oil<br>(mbo) |
|-------------------|--|----------|-----|------|--------|-------|-----------|-------------------|------------------|--------------|-------------------|------------------|
| Well              |  |          |     |      |        |       |           |                   |                  |              |                   |                  |
| Basin             |  |          |     |      |        |       |           |                   |                  |              |                   |                  |
| Dakota            |  |          |     |      |        |       |           |                   |                  |              |                   |                  |
| Gas               |  |          |     |      |        |       |           |                   |                  |              |                   |                  |
| FEDERAL F         | 1E XTO ENERGY INCORPORATED             | 16 P     | 27N | 10W  | Dakota | 337   | 3         | 2                 | 1,412            | 9            |                   |                  |
| P HARGRAVE K      | 1 XTO ENERGY INCORPORATED              | 16 M     | 27N | 10W  | Dakota | 2,368 | 51        | 5                 | 2,962            | 51           |                   |                  |
| FEDERAL F         | 1 XTO ENERGY INCORPORATED              | 16 H     | 27N | 10W  | Dakota | 4,353 | 74        | 7                 | 5,073            | 76           |                   |                  |
| P HARGRAVE K      | 1E XTO ENERGY INCORPORATED             | 16 C     | 27N | 10W  | Dakota | 738   | 6         | 10                | 1,239            | 6            |                   |                  |
| P O PIPKIN        | 3E XTO ENERGY INCORPORATED             | 17 I     | 27N | 10W  | Dakota | 934   | 11        | 6                 | 1,413            | 12           |                   |                  |
| P O PIPKIN        | 4 XTO ENERGY INCORPORATED              | 17 K     | 27N | 10W  | Dakota | 1,065 | 12        | 2                 | 1,340            | 13           |                   |                  |
| P O PIPKIN        | 3 XTO ENERGY INCORPORATED              | 17 A     | 27N | 10W  | Dakota | 3,029 | 48        | 5                 | 3,356            | 48           |                   |                  |
| P O PIPKIN        | 4E BP AMERICA PRODUCTION COMPANY       | 17 C     | 27N | 10W  | Dakota | 91    | 1         | 0                 | 91               | 1            |                   |                  |
| P O PIPKIN        | 4R XTO ENERGY INCORPORATED             | 17 E     | 27N | 10W  | Dakota | 253   | 0         | 213               | 253              | 0            |                   |                  |
| ARGO              | 1 AMAX OIL & GAS INCORPORATED          | 18 C     | 27N | 10W  | Dakota | 1,547 | 18        | 1                 | 1,547            | 18           |                   |                  |
| U S               | 1E QUESTAR EXPLORATION & PRODUCTION CO | 18 N     | 27N | 10W  | Dakota | 959   | 9         | 1                 | 1,211            | 9            |                   |                  |
| P O PIPKIN        | 6 XTO ENERGY INCORPORATED              | 18 O     | 27N | 10W  | Dakota | 1,186 | 18        | 5                 | 1,543            | 21           |                   |                  |
| P O PIPKIN        | 6E XTO ENERGY INCORPORATED             | 18 B     | 27N | 10W  | Dakota | 984   | 9         | 844               | 1,133            | 10           |                   |                  |
| HUERFANO UNIT     | 101 BURLINGTON RESOURCES O&G CO LP     | 19 F     | 27N | 10W  | Dakota | 2,431 | 28        | 1                 | 2,613            | 28           |                   |                  |
| HUERFANO UNIT     | 101E BURLINGTON RESOURCES O&G CO LP    | 19       | 27N | 10W  | Dakota | 792   | 8         | 2                 | 1,284            | 8            |                   |                  |
| EVENSEN           | 2 XTO ENERGY INCORPORATED              | 19 P     | 27N | 10W  | Dakota | 1,897 | 19        | 3                 | 2,158            | 20           |                   |                  |
| C A MCADAMS D     | 1 XTO ENERGY INCORPORATED              | 20 K     | 27N | 10W  | Dakota | 1,304 | 16        | 1                 | 1,427            | 16           |                   |                  |
| C A MCADAMS D     | 2 XTO ENERGY INCORPORATED              | 20 G     | 27N | 10W  | Dakota | 1,021 | 23        | 0                 | 1,021            | 23           |                   |                  |
| C A MCADAMS D     | 1E XTO ENERGY INCORPORATED             | 20 C     | 27N | 10W  | Dakota | 170   | 1         | 1                 | 271              | 2            |                   |                  |
| C A MCADAMS D     | 2E XTO ENERGY INCORPORATED             | 20 J     | 27N | 10W  | Dakota | 686   | 6         | 1                 | 1,132            | 7            |                   |                  |
| E J JOHNSON C     | 1 BP AMERICA PRODUCTION COMPANY        | 21 L     | 27N | 10W  | Dakota | 1,489 | 57        | 1                 | 1,489            | 57           |                   |                  |
| JOHNSON GAS COM B | 1E XTO ENERGY INCORPORATED             | 21 I     | 27N | 10W  | Dakota | 1,179 | 12        | 6                 | 1,586            | 13           |                   |                  |
| E J JOHNSON C     | 1E XTO ENERGY INCORPORATED             | 21 C     | 27N | 10W  | Dakota | 1,872 | 17        | 11                | 2,671            | 18           |                   |                  |
| JOHNSON GAS COM B | 1 XTO ENERGY INCORPORATED              | 21 H     | 27N | 10W  | Dakota | 4,618 | 93        | 3                 | 5,047            | 95           |                   |                  |
| C A MCADAMS B     | 1 XTO ENERGY INCORPORATED              | 28 J     | 27N | 10W  | Dakota | 1,813 | 31        | 1                 | 2,179            | 32           |                   |                  |
| C A MCADAMS B     | 2 XTO ENERGY INCORPORATED              | 28 E     | 27N | 10W  | Dakota | 1,709 | 27        | 1                 | 2,040            | 28           |                   |                  |
| C A MCADAMS B     | 2E XTO ENERGY INCORPORATED             | 28 B     | 27N | 10W  | Dakota | 308   | 6         | 3                 | 407              | 9            |                   |                  |
| C A MCADAMS B     | 1E XTO ENERGY INCORPORATED             | 28 M     | 27N | 10W  | Dakota | 505   | 8         | 4                 | 740              | 11           |                   |                  |
| HUERFANO UNIT     | 105 BURLINGTON RESOURCES O&G CO LP     | 29 P     | 27N | 10W  | Dakota | 2,121 | 59        | 1                 | 2,276            | 60           |                   |                  |
| HUERFANO UNIT     | 217R BURLINGTON RESOURCES O&G CO LP    | 29 G     | 27N | 10W  | Dakota | 114   | 1         | 0                 | 465              | 1            |                   |                  |
| HUERFANO UNIT     | 105E BURLINGTON RESOURCES O&G CO LP    | 29 L     | 27N | 10W  | Dakota | 569   | 6         | 0                 | 918              | 7            |                   |                  |
| HUERFANO UNIT     | 217 MERIDIAN OIL INCORPORATED          | 29 G     | 27N | 10W  | Dakota | 307   | 15        | 0                 | 307              | 15           |                   |                  |
| HUERFANO UNIT     | 118 BURLINGTON RESOURCES O&G CO LP     | 30 J     | 27N | 10W  | Dakota | 869   | 24        | 0                 | 869              | 24           |                   |                  |
| HUERFANO UNIT COM | 91 BURLINGTON RESOURCES O&G CO LP      | 30       | 27N | 10W  | Dakota | 383   | 12        | 0                 | 605              | 14           |                   |                  |
| Average           |  |          |     |      |        |       |           |                   | 1,591            | 22           |                   |                  |

Angel Peak Gallup Oil

|               |                            |      |                |     |    |    |     |    |
|---------------|----------------------------|------|----------------|-----|----|----|-----|----|
| C A MCADAMS B | 1E XTO ENERGY INCORPORATED | 28 M | 27N 10W Gallup | 225 | 2  | 1  | 615 | 3  |
| C A MCADAMS B | 2E XTO ENERGY INCORPORATED | 28 B | 27N 10W Gallup | 223 | 4  | 36 | 561 | 6  |
| C A MCADAMS B | 2 XTO ENERGY INCORPORATED  | 28 E | 27N 10W Gallup | 347 | 43 | 1  | 635 | 44 |
| C A MCADAMS B | 1 XTO ENERGY INCORPORATED  | 28 J | 27N 10W Gallup | 394 | 28 | 1  | 631 | 30 |
| Average       |                            |      |                |     |    |    | 611 | 21 |

Basin Mancos  
~~Angel Peak Gallup~~ Oil Allocation  
 Basin Dakota Gas Allocation

Gas 28%  
 Oil 48%  
 72% 52%

DISTRICT I  
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

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II  
W. Grand Avenue, Artesia, N.M. 88210

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

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

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                  |   |   |
|----------------------------------|---|---|
| <sup>1</sup> API Number          | <sup>2</sup> Pool Code<br>71599               | <sup>3</sup> Pool Name<br>BASIN DAKOTTA |
| <sup>4</sup> Property Code       | <sup>5</sup> Property Name<br>CA McADAMS D    | <sup>6</sup> Well Number<br>2F          |
| <sup>7</sup> OGRID No.<br>167067 | <sup>8</sup> Operator Name<br>XTO ENERGY INC. | <sup>9</sup> Elevation<br>5996'         |

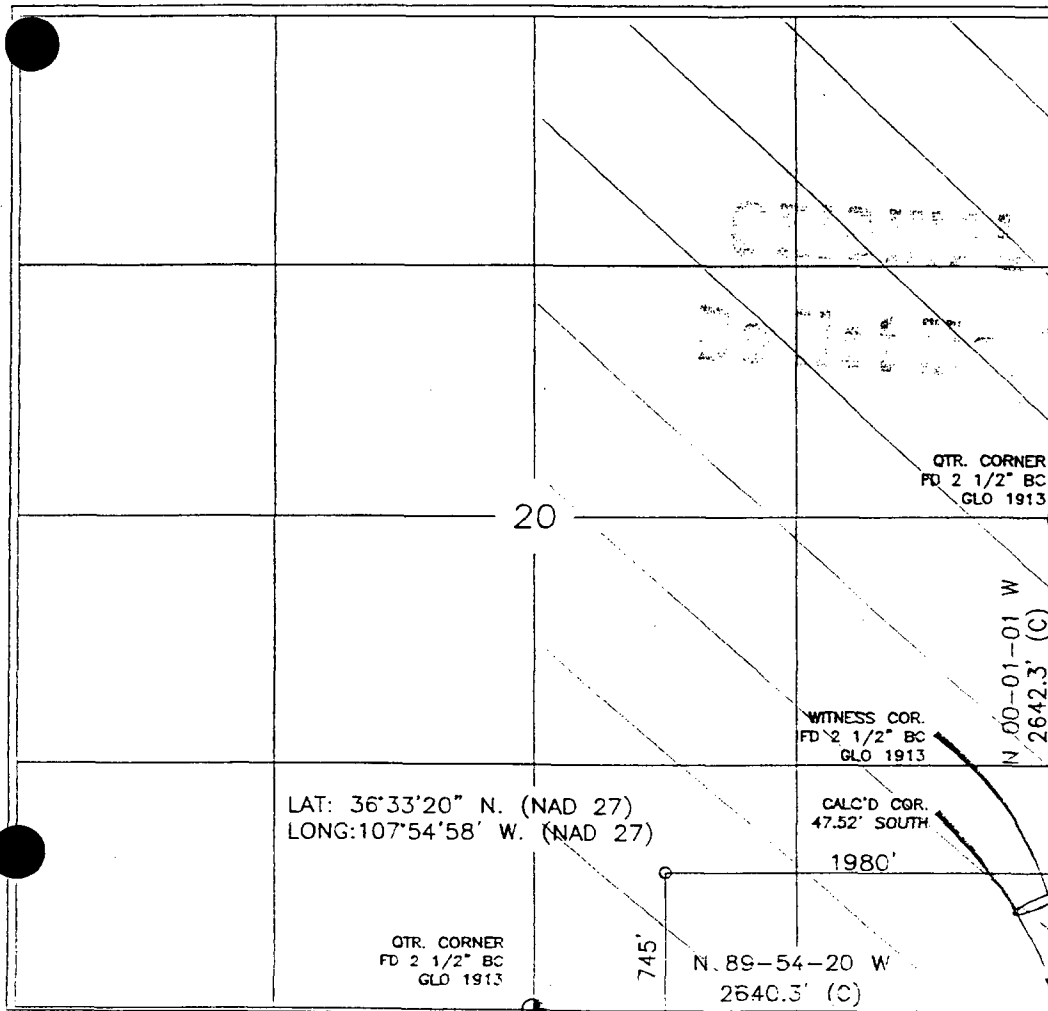
<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lat Idn | Feet from the | North/South line | Feet from the | East/West line | County   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| 0             | 20      | 27-N     | 10-W  |         | 745           | SOUTH            | 1980          | EAST           | SAN JUAN |

<sup>11</sup> Bottom Hole Location If Different From Surface

| UL or lot no.                        | Section                              | Township                         | Range                   | Lat Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|--------------------------------------|--------------------------------------|----------------------------------|-------------------------|---------|---------------|------------------|---------------|----------------|--------|
|                                      |                                      |                                  |                         |         |               |                  |               |                |        |
| <sup>12</sup> Dedicated Acres<br>320 | <sup>13</sup> Joint or Infill<br>E/I | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |         |               |                  |               |                |        |

16 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



17 OPERATOR CERTIFICATION

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

Signature Jeffrey W. Patton

Printed Name JEFFREY W. PATTON

Title DRILLING ENGINEER

Date 7-13-04

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

Signature and Seal of Professional Surveyor John A. Vukovich

Date of Survey 2004

Professional Surveyor 14831

Certificate Number 14831

DISTRICT I  
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

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II  
W. Grand Avenue, Artesia, N.M. 88210

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87504-2088

DISTRICT III  
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

|                                 |   |  |
|---------------------------------|---|--|
| <sup>1</sup> API Number         | <sup>2</sup> Pool Code<br>97232               | <sup>3</sup> Pool Name<br>BASIN MACCOS |
| <sup>4</sup> Property Code      | <sup>5</sup> Property Name<br>CA McADAMS D    | <sup>6</sup> Well Number<br>2F         |
| <sup>7</sup> GRID No.<br>167067 | <sup>8</sup> Operator Name<br>XTO ENERGY INC. | <sup>9</sup> Elevation<br>5996'        |

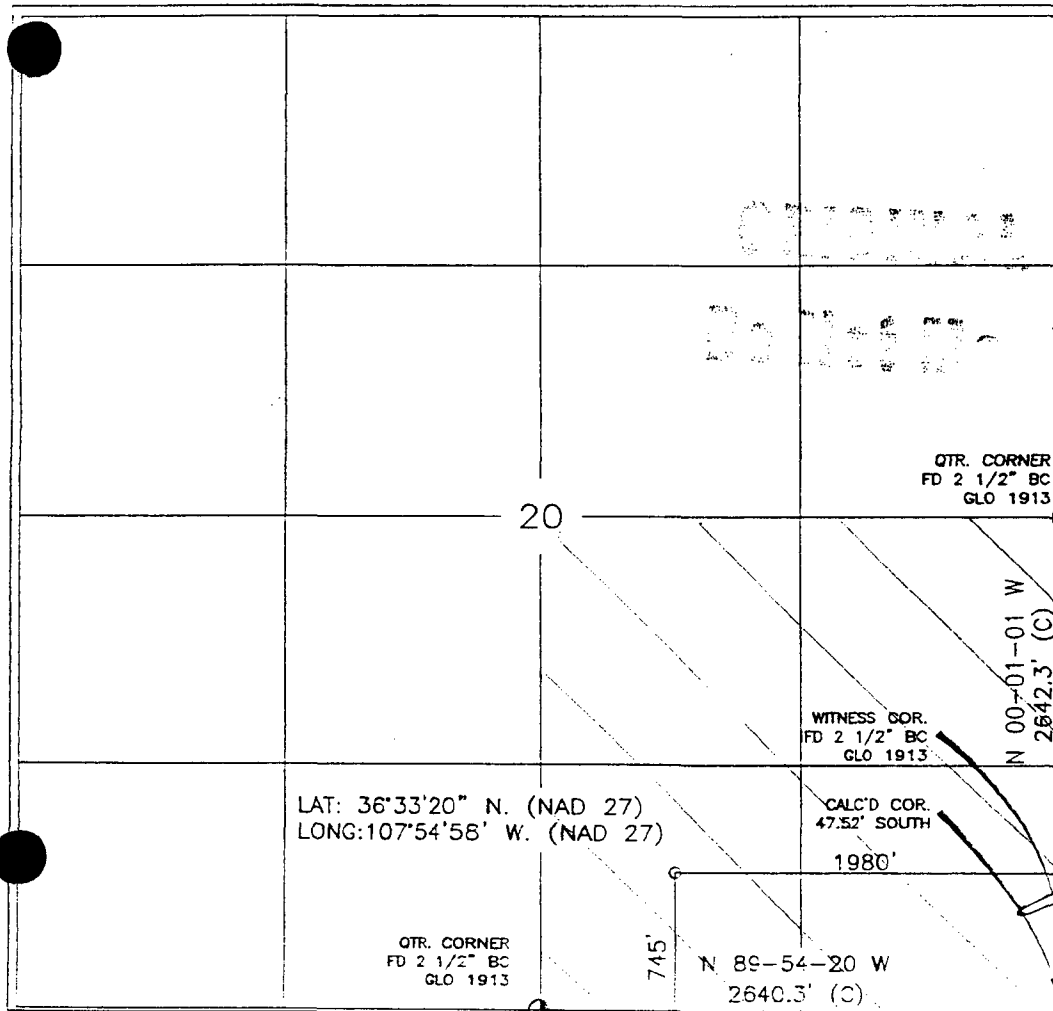
<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| 0             | 20      | 27-N     | 10-W  |         | 745           | SOUTH            | 1980          | EAST           | SAN JUAN |

<sup>11</sup> 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 |
|---|------------------------------------|----------------------------------|-------------------------|---------|---------------|------------------|---------------|----------------|--------|
|   |                                    |                                  |                         |         |               |                  |               |                |        |
| <sup>12</sup> Dedicated Acres<br>160 SE / Z | <sup>13</sup> Joint or Infill<br>I | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |         |               |                  |               |                |        |

16. 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



17 OPERATOR CERTIFICATION

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

Signature

Printed Name

Title

Date

9-13-04

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief

Date of Survey

Signature and Title

Professional Surveyor

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

February 2, 2005

RE: Notice of Intent to Apply for Downhole Commingling

McAdams D #2F  
Sec 20, T27N, R10W; 745' FSL & 1980' FEL  
San Juan County, NM

To: All working interest, royalty interest and overriding royalty interest owners.

XTO Energy Inc. is applying for permission to downhole commingle the Basin Dakota and the Basin Mancos Pools in the McAdams D #2F. This well will spud later this month. We propose to downhole commingle production from both pools on initial completion. NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between pools.

The proposed allocations are based on individual pool Average EUR's in the area. Based upon this data, XTO Energy Inc. proposes to allocate the commingled production as follows:

| Pool         | Oil | Water | Gas |
|--------------|-----|-------|-----|
| Basin Dakota | 42% | 42%   | 47% |
| Basin Mancos | 58% | 58%   | 53% |

If you need additional information or have any questions, I can be contacted at (505) 324-1090. If you are opposed to commingling production from these two pools please respond in writing within 20 days of the date of this letter to XTO Energy Inc., 2700 Farmington Avenue, Suite K-1, Farmington, NM 87401.

Sincerely,

*Teena Cospa*

Teena Cospa  
Production Clerk

xc: Well File  
FW Land Dept.

CA McAdams D #2F DHC Owner List

J. Burton Veteto  
607 Abo  
Hobbs, NM 88240

Julie Ann Antweil Trust  
Julie A. Silverman, Trustee  
4408 Canyon Court NE  
Albuquerque, NM 87111-3010

United Pipe & Supply Co..  
3622 Ranch Creek Drive  
Austin, TX 78730

ConocoPhillips  
Attn: Land Department  
P. O. Box 2197  
Houston, TX 77252-2197

Burlington Resources Oil & Gas Company LP  
P. O. Box 4289  
Farmington, NM 87499-0656

H.W. Smith Estate  
Gary Harvey, Independent. Executor  
204 SW 12th Street  
Seminole, TX 79360-4110

James L. Sharp & Kathryn B. Sharp  
Revocable Living Trust Dated  
4/11/97, J. L. & K. B. Sharp, Trustees  
1020 Foxwood Lane  
Wylie, TX 75098

Mary Margaret Sapp 1993 Trust  
Carl Francis Fischer  
3726 Sunset Blvd.  
Houston, TX 77005

John Dillon Sapp 1993 Trust  
Jpmorgan Chase Bank Trustee  
Trust Minerals Sec #1762604  
P. O. Box 200336  
Houston, TX 77216-0336

CA McAdams D #2F DHC Owner List

William Dean Sapp 1993 Trust  
Carol Lynn Sapp, Trustee  
1302 Waugh - Box 616  
Houston, TX 77219

William B. Hardie Sr. Royalty Trust  
Jane Hardie, Trustee  
1065 Los Jardines  
El Paso, TX 79912-1942

White Star Energy, Inc.  
P.O. Box 51108  
Midland, TX 79710

MMS - Notify BLM

Howell Grandchildrens Trust  
% The Chase Manhattan Bank,  
Trustee  
P.O. Box 200486  
Houston, TX 77216-0383

Richard Parker Langford  
6573 Tarascas Drive  
El Paso, TX 79912-2513

Ben Howell Langford  
C/O Edi Financial Inc.  
415 N Mesa Street Ste 207  
El Paso, TX 79901-1244

Emilie M. Hardie Royalty Trust  
Emilie M. Hardie, Trustee  
1065 Los Jardines  
El Paso, TX 79912-1942

Elizabeth H. Lund Royalty Trust  
Elizabeth H. Lund, Trustee  
6128 Sierra Valle Lane  
El Paso, TX 79912-1934

Mary Elizabeth Hardie Roy Trust  
Thornton Hardie III, Trustee  
1700 Pacific Ave. Ste. 3300  
Dallas, TX 75201-4656

CA McAdams D #2F DHC Owner List

Mabelle H. Sowers Royalty Trust  
Mabelle Bramhall, Trustee  
5026 Augusta Circle  
College Station, TX 77845-8983

Anna Celia Howell Hilton  
3120 Bay Street  
Gulf Breeze, FL 32563-5304

Silverado Oil & Gas LLP  
P.O. Box 52308  
Tulsa, OK 74152-0308

Joseph C. Jastrzembski  
911 1st Street NE  
Minot, ND 58703-2426

San Juan Partnership  
C/O True Oil Company  
P.O. Box 2360  
Casper, WY 82602-2360

Patricia G. Harvey  
1545 London Road  
Charlottesville, VA 22901-8881

John A. Grambling  
916 Cherry Hill Lane  
El Paso, TX 79912-3327

Emily D. Grambling  
916 Cherry Hill Lane  
El Paso, TX 79912-3327

Ben Dansby, Jr Estate  
Michael Fitz-Gerald and James  
Fitz-Gerald III, Co-Personal  
Representatives  
P.O. Box 710  
Midland, TX 79702-0710

R. H. Feuille  
1021 Broadmoor  
El Paso, TX 79912-2003

CA McAdams D #2F DHC Owner List

Howell Trust Estate  
% The Chase Manhattan Bank,  
Trustee  
P.O. Box 200486  
Houston, TX 77216-0383

Blanche R. Dansby Test Trust  
U/W/O Michael Fitz-Gerald and  
James Fitz-Gerald III Co-Trustees  
P.O. Box 710  
Midland, TX 79702-0710

James Fitzgerald, III  
P.O. Box 1565  
Midland, TX 79702-1565

Michael Fitzgerald  
P.O. Box 710  
Midland, TX 79702-0710

Penwell Lyman, Ltd.  
3838 Oak Lawn, Ste 1216  
Dallas, TX 75219

Pure Resources, LP  
P.O. Box 910552  
Dallas, TX 75391-0552

Robert E. McAlister  
P.O. Box 451541  
Garland, TX 75045-1541

Singer Bros.  
C/O Bank of Oklahoma  
Acct. #2-061-9661-0  
Dept. 1063  
Tulsa, OK 74182

Royalty Clearinghouse Ltd.  
6300 Bridge Point Pkwy  
Building 1 Suite 320  
Austin, TX 78730