

DATE IN 4.20.12	SUSPENSE	ENGINEER WJT	LOGGED IN 4.20.12	TYPE DHC 4560	APP NO. 121147917
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

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



XTO 5380

RECEIVED OGD

Schwerdtfeger A #25

ADMINISTRATIVE APPLICATION CHECKLIST

30-045-31913

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 _____

E-21-27N-8W

- [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.

KRISTEN D. LYNCH
Print or Type Name

Kristen D. Lynch
Signature

REGULATORY ANALYST
Title

4/18/12
Date

kristen_lynch@xtoenergy.com
e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1301 W. Grand Avenue, Artesia, NM 88210

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

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

XTO ENERGY INC. 382 CR 3100 AZTEC, NM 87410

Operator SCHWERTDFEGER A #25 Address E Sec 21 T27N R8W **DHC-4560** SAN JUAN

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 5380 Property Code 22634 API No 30-045-31913 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name Basin DK/Blanco MV/ Otero CH	S. BLANCO PICTURED CLIFFS	OTERO CHACRA	BLANCO MESAVERDE
Pool Code	72439	82329	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2792' - 2839'	4394' - 4483'	4483' - 5401'
Method of Production (Flowing or Artificial Lift)	FLOWING	FLOWING	FLOWING
Bottomhole Pressure (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)	224	317	637
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	NEW ZONE	PRODUCING	PRODUCING
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: 2/1/2012 Rates: 0 BO / 672 MCF / 0 BW	Date: 2/1/2012 Rates: 0 BO / 2742 MCF / 70 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas Water 0 % 33 % 3 %	Oil Gas Water 0 % 13 % 0 %	Oil Gas Water 100 % 54 % 97 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes Nos

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 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 working, royalty and overriding royalty interests for uncommon interest cases.
 - Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

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 Kristen D. Lynch TITLE REGULATORY ANALYST DATE 4/18/12
TYPE OR PRINT NAME KRISTEN D. LYNCH TELEPHONE NO. (505) 333-3206

E-MAIL ADDRESS Kristen_Lynch@xtoenergy.com

Schwerdtfeger A 25 - Downhole Commingle (BHP and Fracture Parting Pressure Calculation)

	Pictured Cliffs	Chacra	Mesaverde
Gas Gravity	0.716	0.778	0.789
Depth to Mid Perf (ft)	2816	3851	5096
Shut in Casing Pressure (psia)	209	285	554
Surface Temperature (deg F)	60	60	60
Bottom Hole Temperature (deg F)	100	118	140
Static BHP (psia)	224	317	637
Fracture Parting Pressure (psia)	1830	2503	3312

Schwerdtfeger A 25 - Allocations

Wells Only Producing from the Pictured Cliffs Reservoir within the 9 Section surrounding the Bolack C LS 12A drilled after 2000

LEASE	NO.	RESERVOIR	Section	Township	Range	FIELD	OPERATOR	1st PROD	LAST PROD	DAYS ON	CUMUL	CUMUL	CUMUL	AVERAGE	AVERAGE	AVERAGE
											OIL (BBL)	GAS (MCF)	WATER (BBL)	OIL (BBL/D)	GAS (MCF/D)	WATER (BBL/D)
FLORANCE	63M	PICTURED CLIFFS	17	27 N	8 W	BLANCO	XTO ENERGY	20041201	20110901	2453	15	124362	23	0.01	50.70	0.01
FLORANCE D		19 PICTURED CLIFFS	20	27 N	8 W	BLANCO	XTO ENERGY	20050201	20110901	2401	0	167700	815	0.00	69.85	0.34
FLORANCE D		18 PICTURED CLIFFS	20	27 N	8 W	BLANCO	XTO ENERGY	20060701	20110901	1689	0	87388	0	0.00	46.26	0.00
BOLACK C	2R	PICTURED CLIFFS	28	27 N	8 W	BLANCO	XTO ENERGY	20070501	20110901	1581	10	71193	80	0.01	45.03	0.05
BOLACK C		22 PICTURED CLIFFS	28	27 N	8 W	BLANCO	XTO ENERGY	20051001	20110901	2143	0	160226	0	0.00	74.77	0.00
													Average	0.00	57.32	0.06

Bolack C LS 12A Current Production

LEASE	NO.	RESERVOIR	Section	Township	Range	FIELD	OPERATOR	12 MONTH AVERAGE OF LATEST PROD		
								OIL (BBL/D)	GAS (MCF/D)	WATER (BBL/D)
SCHWERDTFEGER A	25	CHACRA	21	27 N	8 W	OTERO	XTO ENERGY	0.00	22.41	0.00
SCHWERDTFEGER A	25	MESAVERDE	21	27 N	8 W	BLANCO	XTO ENERGY	0.15	93.29	2.96

Allocations

	Oil	Gas	Water
Pictured Cliffs	0%	33%	3%
Chacra	0%	13%	0%
Mesaverde	100%	54%	97%