

12-12-12	SUSPENSE	NA	ENGINEER	DB	LOGGED IN	12-12	TYPE	NSL	PDK 1234748268
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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  
WIN Fed #1E

## 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.

Cy Zimmerman \_\_\_\_\_  
Print or Type Name Signature Title Date

\_\_\_\_\_  
e-mail Address

RECEIVED OGD

2017 DEC 12 P 1:17

6723



December 10, 2012

**FEDERAL EXPRESS**

Mr. David Brooks  
New Mexico Oil Conservation Division  
1220 S St Francis Dr  
Santa Fe NM 87504

Re: Application for Administrative Approval of Unorthodox Location  
XTO Energy Inc.'s Krause WN Federal #1E  
790' FNL and 1,520' FWL, Section 32, T28N, R11W  
San Juan County, New Mexico  
Gallup Formation

Dear Mr. Brooks:

XTO Energy Inc. (XTO) hereby requests administrative approval for an unorthodox location for the above referenced well. Attached for your reference are the following exhibits:

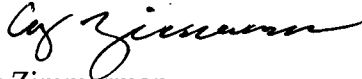
1. Well location plat (NMOCD Form C-102)
2. Gallup Ownership Map
3. Gallup Production Map

The above captioned well was drilled and completed in 1980 as a W/2, 320 acre Dakota unit. XTO would now like to move uphole in the existing wellbore and recomple the well to the Gallup formation. The rules state that a well should be located no closer than 330' to the outer boundary of the 40-acre unit. Therefore the existing location will not conform to the current footage requirements and is encroaching on the NW/4NW/4 40-acre unit. A new well would not be economically feasible to drill for the Gallup formation alone. The existing wellbore is in acceptable condition for the recompletion attempt. By moving uphole to the Gallup formation, XTO would be able to minimize environmental impact while obtaining additional production.

XTO owns 100% of the offsetting operating rights in the Gallup Formation in the NW/4NW/4 40-acre unit; therefore no offset owner notice is required. Taking this into account, in addition to the statements made above, XTO requests your administrative approval for the unorthodox location. Should you need any additional information, please feel free to contact me at (817) 885-1130.

*Mr. David Brooks*  
*New Mexico Oil Conservation Division*  
*Krause WN Federal #1E - GA*  
*March 15, 2011*  
*Page Two*

Yours truly,

A handwritten signature in cursive script, appearing to read "Cy Zimmerman".

Cy Zimmerman  
Associate Landman

Enclosures

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
**District II**  
811 South First, 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 & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

NOV 01 2012

Form C-102  
Revised October 19, 2009  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-045-24210		<sup>2</sup> Pool Code 36550	<sup>3</sup> Pool Name KUTZ GALLUP
<sup>4</sup> Property Code 22755	<sup>5</sup> Property Name KRAUSE WN FEDERAL		<sup>6</sup> Well Number #1E
<sup>7</sup> OGRID No. 5380	<sup>8</sup> Operator Name XTO ENERGY INC.		<sup>9</sup> Elevation 5898'

<sup>10</sup> Surface Location

UL or lot no. C	Section 32	Township 28N	Range 11W	Lot Idn	Feet from the 790'	North/South line NORTH	Feet from the 1520'	East/West line WEST	County SAN JUAN
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. SAME	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres GP: 40 ACRES	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

		<p><b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true &amp; complete to the best of my knowledge &amp; belief and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p>
<p>KUTZ GALLUP</p> <p>32</p>		<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b> 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 &amp; correct to the best of my belief.</p> <p>6/23/1984 Date of Survey Original Survey Signed By John A. Vukonich 14831 Certificate Number</p>



# SECTION PLAT OF 9 SQUARE MILES

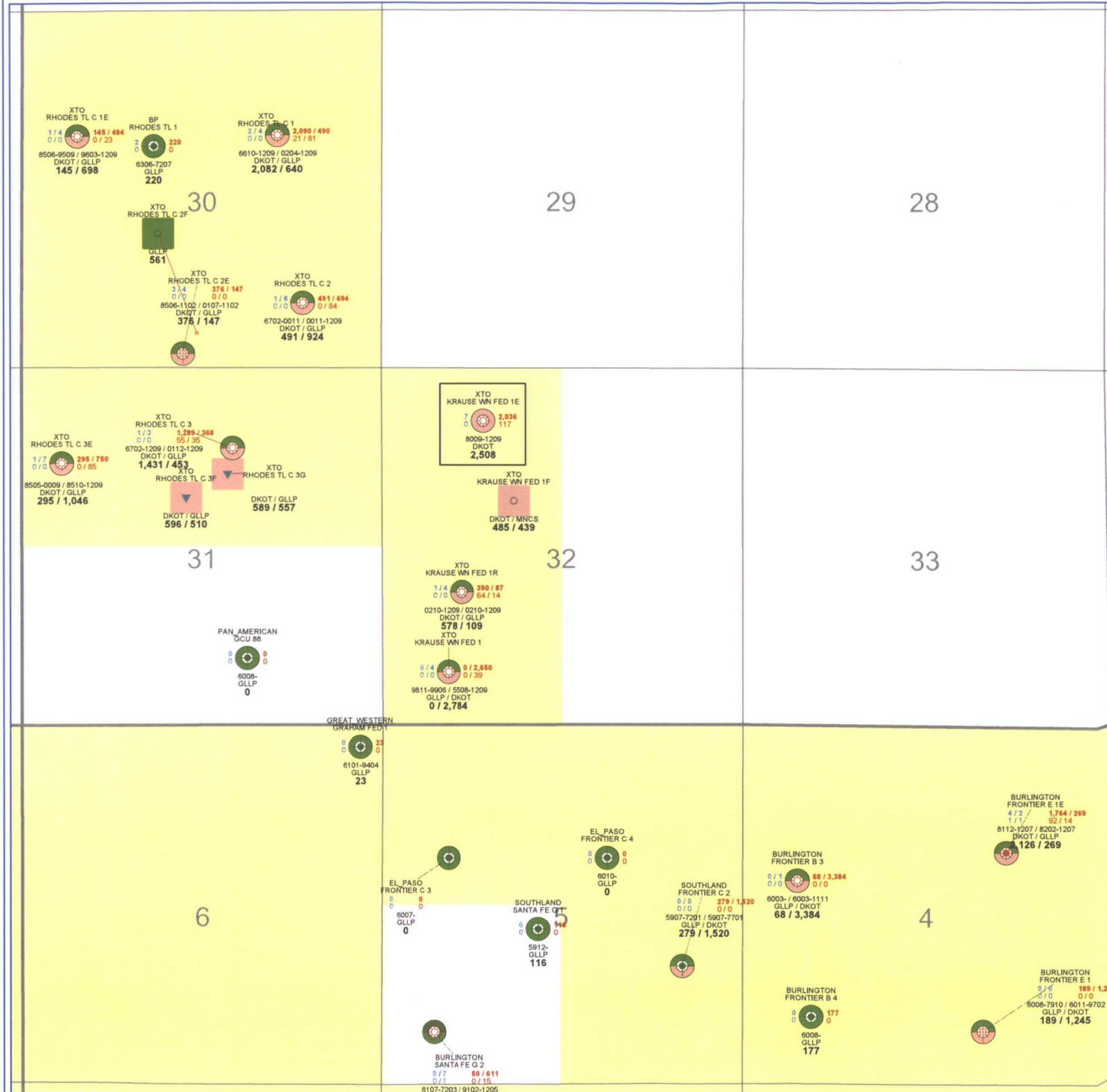
STATE: New Mexico COUNTY: San Juan

PROSPECT: Krause WN Federal #1E DATE: December 6, 2012

SECTION: 32 TOWNSHIP: 28North RANGE: 11 West

SCALE: 1"=2000'

19	20		21
30	29		28
31	XTO 100%	XTO 100%	32
			33



**XTO ENERGY**

**SAN JUAN BASIN**

**SEC 32 T28N R11W**

San Juan County, New Mexico

0 1,980  
FEET

**POSTED WELL DATA**

Operator  
Well Label

PdCum - GUMWTR, MBLBS PdCum - CUMGAS, MMCF  
PdCum - LAST WTRRATE, BBL/D PdCum - LAST GASRATE, MCF/D

PdCum - FROM DATE TO DATE  
PdCum - FMNAME  
PdCum - EUR, MMCF

**ATTRIBUTE MAP**

- Shallow
- Farmington
- Fruitland Sand
- Fruitland Coal
- Pictured Cliffs
- Chacra
- Mesaverde
- Gallup
- Dakota
- Morrison
- Entrada
- Deep

**SYMBOL HIGHLIGHT**

- BOOKED FRUITLAND COAL RESERVES
- BOOKED PICTURED CLIFFS RESERVES
- BOOKED CHACRA RESERVES
- BOOKED MESAVERDE RESERVES
- BOOKED GALLUP RESERVES
- BOOKED DAKOTA RESERVES
- BOOKED PARADOX RESERVES
- SERVICE/INJECTION WELLS
- UNECONOMIC WELLS

**WELL SYMBOLS**

- Coal Bed Methane
- Gas Well
- Location
- Oil & Gas Well
- P&A Gas Well
- P&A Oil Well
- Staked Location

**REMARKS**

KRAUSE WN FED 1E  
XTO Production thru 09/2012