

8/14/06 WJS

D4C-3774 PWTS06 22732993

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

XTO Energy Inc.

Operator

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

Address

FRED FEASEL L

Lease

1F

Well No.

(B) SEC 32-T28N- R10W

Unit Letter-Section-Township-Range

SAN JUAN

County

OGRID No. 167067

Property Code 22699

API No. 30-045-33555

Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	WILDCAT BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5618' - 5889'		6350' - 6561'
Method of Production (Flowing or Artificial Life)	F		F
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	NEW		NEW
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: Rates:	Date: Rates:
	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil: 11 % Gas: 4 %	Oil: % Gas: %	Oil: 89 % Gas: 96 %

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

Yes ☒ No ☐

If not, have all working, overriding, and royalty interests 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 ☐ No ☒

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: _____

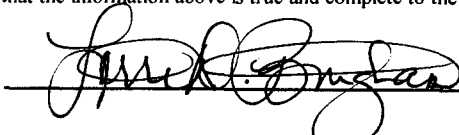
ATTACHMENTS:

- 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 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



TITLE

REGULATORY COMP TECH

DATE

8/8/06

TYPE OR PRINT NAME

LORRI D. BINGHAM

TELEPHONE NO.

(505) 324-1090

E-MAIL

lorri.bingham@ctoenergy.com

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

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

3b. Phone No. (include area code)

505-324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

780' FNL & 1955' FEL SEC 32B-T28N-R10W

5. Lease Serial No.

NMSF046563

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

FRED FEASEL L #1F

9. API Well No.

30-045-33555

10. Field and Pool, or Exploratory Area

BASIN DAKOTA

WILDCAT BASIN MANCOS

11. County or Parish, State

SAN JUAN

NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Casing Repair☐ New Construction☐ Recomplete☒ Other DOWNHOLE☐ Change Plans☐ Plug and Abandon☐ Temporarily AbandonCOMMINGLE☐ Convert to Injection☐ Plug Back☐ Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

XTO Energy, Inc. requests approval for an exception to NMOC Rule 303-C to permit DHC of production from the Basin Dakota & Wildcat Basin Mancos in the Fred Feasel L #1F. XTO Energy, Inc. proposes to downhole commingle these pools upon completion of this well.

Allocations are based upon a 9-section EUR and are calculated as follows:

Basin Dakota	Gas	96%	Oil	89%	Water	98%
Basin Mancos	Gas	4%	Oil	11%	Water	2%

Interests are common in both zones. The New Mexico Oil Conservation Division has been notified of our intent by submission of form C-107A. Downhole commingle will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

LORRI D. BINGHAM

Title

REGULATORY COMPLIANCE TECH

Date 8/8/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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 I
1200 S. French Dr., Santa Fe, N.M. 87505

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 86210

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

DISTRICT IV
1220 South 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

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number	97832	*Pool Name	WC Basin Marcos
*Property Code		*Property Name	FRED FEASEL L
*ORDER No.	1607067	*Operator Name	XTO ENERGY INC.
		*Well Number	1F
		*Elevation	5866'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
B	32	28-N	10-W		780	NORTH	1955	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
* Dedicated Acre			* Joint or 10/10		* Consolidation Code		* Order No.		
NE 1/4 160									

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

16	FD. 2 1/2" B.C. 1913 U.S.G.L.O.	17	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>Kevin K. Small</u> Printed Name: <u>Kevin K. Small</u> Title: <u>Drilling Assistant</u> Date: <u>5/18/05</u>
LAT. 36°37'26.1"N (NAD 27) LONG. 107°54'57.4"W (NAD 27)		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. Date: <u>May 24, 2005</u> Signature: <u>[Signature]</u> Printed Name: <u>[Name]</u> Title: <u>[Title]</u> Professional Seal:	

DISTRICT I
1805 E. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

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1000 E. Sprague St., Aztec, N.M. 87410

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102
Revised June 10, 2003

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 8 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APN Number	71599	Pool Name	Basin Dakota
Property Code	Property Name FRED FEASEL I		Well Number 1F
ORDER No. 11070607	Operator Name KTO ENERGY INC.		Elevation 5966'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
B	32	28-N	10-W		780	NORTH	1955	EAST	SAN JUAN

11 Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acre E 1/2 320		Total or parts		Consolidation Code		Order No.			

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

16 FD. 2 1/2" B.C. 1913 U.S.G.L.O. 780' N 89-46-32 W 2639.4' (M) 1955' FD. 2 1/2" B.C. 1913 U.S.G.L.O. LAT. 36°37'28.1"N (NAD 27) LONG. 107°54'57.4"W (NAD 27) 32 FD. 2 1/2" B.C. 1913 U.S.G.L.O. S 0-07-00 W 2639.8' (M)	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>Fredy L. Small</u> Signature <u>Fredy L. Small</u> Printed Name Title <u>ASSISTANT</u> Date <u>3/18/05</u>
	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. Date of Survey <u>March 24, 2005</u> Signature <u>[Signature]</u> Printed Name <u>[Name]</u> Title <u>[Title]</u> Certificate Number <u>24831</u>

Fred Feasel L #1F Allocation

Well Name	No. Operator	Sec	Unit	Tw	Rng	Field	Reservoir	Cum Oil (mbo)	Cum Gas (mmcf)	Cum Wtr (mbbl)	EUR Oil (mbo)	EUR Gas (mmcf)
C A MCADAMS C	1 XTO ENERGY INCORPORATED	5	P	27N	10W	BASIN	DAKOTA	34	2,335	3	35	2,583
C A MCADAMS C	2 XTO ENERGY INCORPORATED	5	K	27N	10W	BASIN	DAKOTA	19	3,470	5	19	3,873
C A MCADAMS C	1E XTO ENERGY INCORPORATED	5		27N	10W	BASIN	DAKOTA	10	1,163	3	12	1,373
C A MCADAMS C	2E XTO ENERGY INCORPORATED	5	F	27N	10W	BASIN	DAKOTA	8	843	4	10	1,017
DAVIDSON GAS COM F	1 XTO ENERGY INCORPORATED	28	M	28N	10W	BASIN	DAKOTA	46	3,529	2	60	3,890
DAVIDSON GAS COM F	1E XTO ENERGY INCORPORATED	28	F	28N	10W	BASIN	DAKOTA	6	940	1	6	1,283
FEDERAL A	1 XTO ENERGY INCORPORATED	32	K	28N	10W	BASIN	DAKOTA	42	4,543	3	43	5,129
FEDERAL A	1E XTO ENERGY INCORPORATED	32	E	28N	10W	BASIN	DAKOTA	0	229	2	534	290
FEDERAL F	2 XTO ENERGY INCORPORATED	4	H	27N	10W	BASIN	DAKOTA	85	5,925	4	86	6,709
FEDERAL F	2E XTO ENERGY INCORPORATED	4	O	27N	10W	BASIN	DAKOTA	1	205	3	1	655
FEDERAL GAS COM	1 XTO ENERGY INCORPORATED	28	A	28N	10W	BASIN	DAKOTA	44	4,284	4	46	4,676
FEDERAL GAS COM	1E XTO ENERGY INCORPORATED	28	J	28N	10W	BASIN	DAKOTA	1	293	8	3	888
FRED FEASEL H	1 XTO ENERGY INCORPORATED	33	H	28N	10W	BASIN	DAKOTA	37	3,907	4	39	4,146
FRED FEASEL H	1E XTO ENERGY INCORPORATED	33	O	28N	10W	BASIN	DAKOTA	8	1,195	9	9	1,574
FRED FEASEL L	1 XTO ENERGY INCORPORATED	32	H	28N	10W	BASIN	DAKOTA	48	4,971	4	48	5,321
FRED FEASEL L	1E XTO ENERGY INCORPORATED	32	I	28N	10W	BASIN	DAKOTA	6	1,146	4	7	1,564
HARGRAVE FEDERAL	1 TENNECO OIL COMPANY	4	C	27N	10W	BASIN	DAKOTA	26	1,069	0	26	1,069
HUBBELL A	1 BURLINGTON RESOURCES O&G CO LP	29	B	28N	10W	BASIN	DAKOTA	16	4,186	1	16	4,252
HUBBELL A	1E BURLINGTON RESOURCES O&G CO LP	29	F	28N	10W	BASIN	DAKOTA	8	921	1	10	1,163
HUBBELL GAS COM B	1 XTO ENERGY INCORPORATED	30		28N	10W	BASIN	DAKOTA	28	3,032	2	28	3,312
HUBBELL GAS COM B	1E XTO ENERGY INCORPORATED	30	P	28N	10W	BASIN	DAKOTA	9	1,024	9	12	1,449
HUBBELL GAS COM C	1 XTO ENERGY INCORPORATED	29	N	28N	10W	BASIN	DAKOTA	48	5,456	2	49	5,922
HUBBELL GAS COM C	1E XTO ENERGY INCORPORATED	29	I	28N	10W	BASIN	DAKOTA	11	1,441	3	13	1,805
KNAUFF B	1 LADD PETROLEUM CORPORATION	31	C	28N	10W	BASIN	DAKOTA	19	1,733	0	19	1,733
KNAUFF B	1E QUESTAR EXPLORATION & PRODUCTION CO	31	N	28N	10W	BASIN	DAKOTA	4	385	2	4	550
KUTZ FEDERAL	13 XTO ENERGY INCORPORATED	33	K	28N	10W	BASIN	DAKOTA	27	2,713	1	27	2,713
KUTZ FEDERAL	16 XTO ENERGY INCORPORATED	33	L	28N	10W	BASIN	DAKOTA	1	62	0	0	1,150
KUTZ FEDERAL	13E XTO ENERGY INCORPORATED	33	C	28N	10W	BASIN	DAKOTA	0	182	6	4	851
KUTZ J FEDERAL	2 XTO ENERGY INCORPORATED	6		27N	10W	BASIN	DAKOTA	18	1,656	1	19	1,758
KUTZ J FEDERAL	3 XTO ENERGY INCORPORATED	6	H	27N	10W	BASIN	DAKOTA	1	189	2	6	1,086
KUTZ J FEDERAL	2E XTO ENERGY INCORPORATED	6	I	27N	10W	BASIN	DAKOTA	0	1,331	1,021	1	3,101
KUTZ J FEDERAL	2G XTO ENERGY INCORPORATED	6	O	27N	10W	BASIN	DAKOTA	1	21	1	1	842
M N GALT J	2 XTO ENERGY INCORPORATED	6		27N	10W	BASIN	DAKOTA	9	1,028	2	10	1,228
M N GALT J	3 XTO ENERGY INCORPORATED	6	F	27N	10W	BASIN	DAKOTA	2	108	1	5	618
MARTIN GAS COM B	1 XTO ENERGY INCORPORATED	31	G	28N	10W	BASIN	DAKOTA	36	3,625	3	36	3,764
MARTIN GAS COM B	1E XTO ENERGY INCORPORATED	31	P	28N	10W	BASIN	DAKOTA	6	824	3	6	1,011
NEWMAN C	1 BURLINGTON RESOURCES O&G CO LP	30	B	28N	10W	BASIN	DAKOTA	27	3,813	1	28	3,922
NEWMAN C	1E BURLINGTON RESOURCES O&G CO LP	30		28N	10W	BASIN	DAKOTA	7	744	1	8	951

R P HARGRAVE L	1 XTO ENERGY INCORPORATED	4 M	27N	10W	BASIN	DAKOTA	30	2,766	2	30	3,207
R P HARGRAVE L	1E XTO ENERGY INCORPORATED	4	27N	10W	BASIN	DAKOTA	7	1,044	4	7	1,363
Average									28	33	2,345
FEDERAL A	1 BP AMERICA PRODUCTION COMPANY	32 K	28N	10W	KUTZ	GALLUP	7	158	0	7	158
KUTZ J FEDERAL	3 XTO ENERGY INCORPORATED	6 H	27N	10W	KUTZ	GALLUP	1	28	1	3	103
M N GALT B	1Y XTO ENERGY INCORPORATED	6 K	27N	10W	KUTZ	GALLUP	1	28	1	7	158
M N GALT J	3 XTO ENERGY INCORPORATED	6 F	27N	10W	KUTZ	GALLUP	1	16	1	3	63
KUTZ J FEDERAL	2G XTO ENERGY INCORPORATED	6 O	27N	10W	BASIN	MANCOS	1	5	0	0	31
Average									1	4	103

Allocation	Water	Oil	Gas
Dakota	98%	98%	96%
Manco	2%	11%	4%