

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



XTO
Fred Feasel #16
5715

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



September 28, 2007

FEDERAL EXPRESS

Mr. Mark Fesmire
New Mexico Oil Conservation Division
1220 S St Francis Dr
Santa Fe NM 87505

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Fred Feasel J #1G
2,205' FSL and 790' FEL, Section 34, T28N, R10W
San Juan County, New Mexico
Mancos & Chacra formations

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Dear Mr. Fesmire:

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. Topographic Map
3. Mancos & Chacra formation Ownership Map
4. Mancos & Chacra formation Production Map

under Fred Feasel

At the proposed location of 2,205' FSL and 790' FEL, the above captioned well is at a non-standard location to the north by 225' for both the Mancos and Chacra formations. The well was placed at this location due to topographic issues and to obtain the greatest distance from the Fred Feasel J #1E well (existing Dakota formation producing well located in the same quarter location). The Dakota formation is spaced on a 320-acre E/2 stand-up unit and both the Mancos and Chacra formations are spaced on a 160-acre SE/4 unit. The Dakota is at a standard location, however, as stated, the Mancos and Chacra are non-standard.

XTO Energy intends to install a Tex-Jet pump on the existing Fred Feasel J #1E which typically increases Dakota production anywhere from 50 mcf/d to 100 mcf/d. However, the Tex-Jet pump does not allow for multiple reservoirs to be open in order to work effectively. Due to the nature of the pump, XTO cannot complete the Mancos or Chacra formations with the Tex-Jet pump in the wellbore of the existing Fred Feasel J #1E well. In addition, XTO does not want to risk losing greatly increased Dakota production by using a less efficient or different pump to complete the Mancos and Chacra formations. In turn, XTO desires to complete the Mancos and Chacra formations on the Fred Feasel J #1G well at the proposed non-standard location.

*Mr. Mark Fesmire
New Mexico Oil Conservation Division
Fred Feasel J #1G
September 28, 2007
Page Two*

XTO owns 100% of the offsetting operating rights to the north in both the Mancos and Chacra formations; therefore no offset owner notice is required.

XTO Energy Inc. requests your administrative approval for the unorthodox location based on the above information. Should you need any additional information, please contact me at (817) 885-3091.

Yours truly,


Ryan O'Kelley
Associate Landman

Enclosures

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

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

DISTRICT III
1000 Rio Brazos 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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-049-34401		² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name FRED FEASEL J		⁶ Well Number 1G
⁷ OGRD No.	⁸ Operator Name XTO ENERGY INC.		⁹ Elevation 5926

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	34	28-N	10-W		2205	SOUTH	790	EAST	SAN JUAN

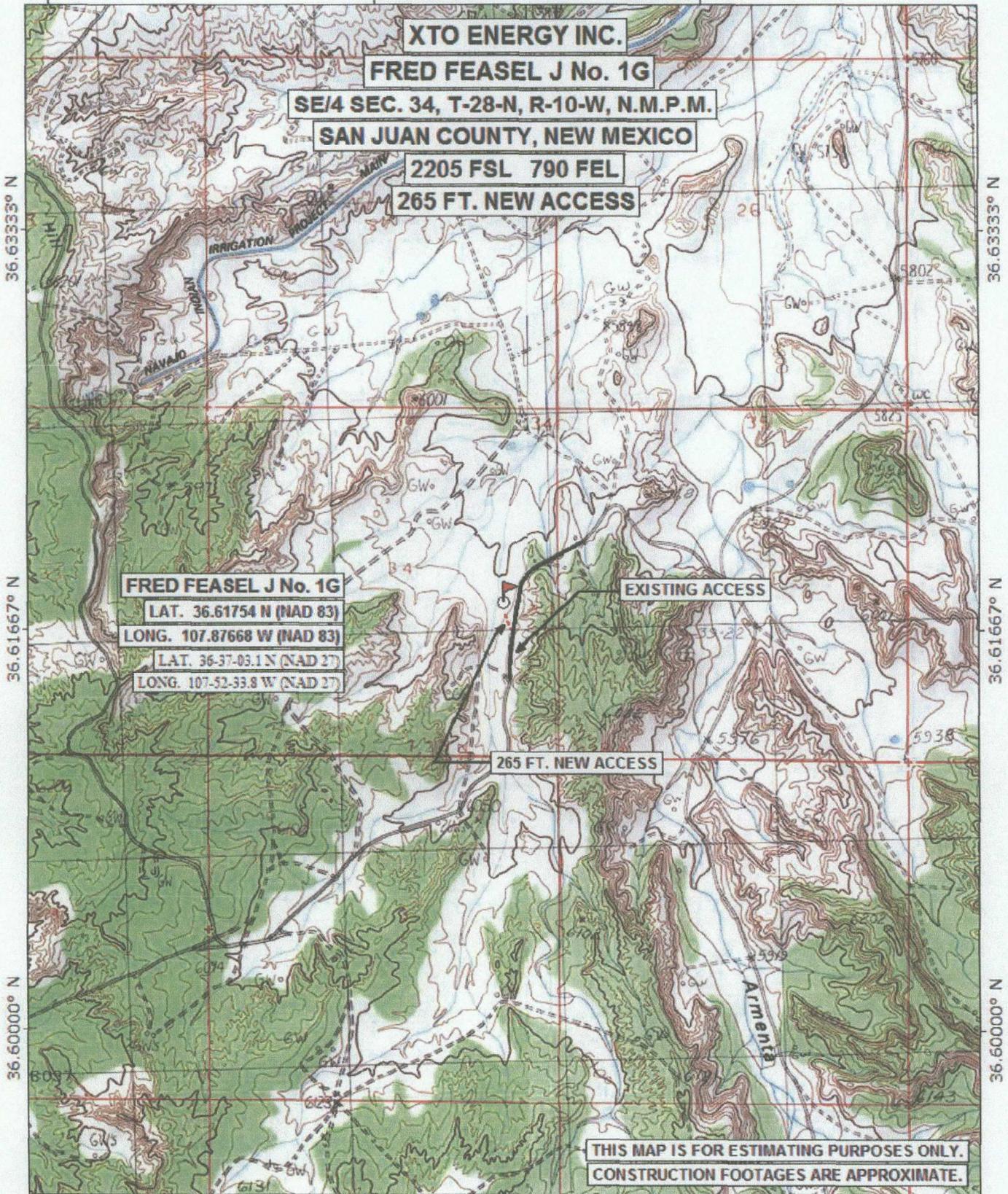
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infit	¹⁴ Consolidation Code	¹⁵ 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

<p>16</p> <p>34</p> <p>LAT: 36.61754° N. (NAD 83) LONG: 107.87668° W. (NAD 83)</p> <p>LAT: 36°37'03.1" N. (NAD 27) LONG: 107°52'33.8" W. (NAD 27)</p> <p>FD. 2 1/2" BC. 1913 G.L.O.</p>	<p>790'</p> <p>2205'</p> <p>N 0-01-43 W 2636.82' (C)</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and 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>Signature _____ Date _____</p> <p>Printed Name _____</p>
		<p>FD. 2 1/2" BC. 1913 G.L.O.</p> <p>N 89-54-04 W 2639.34' (C)</p> <p>CALC'D. CORNER BY SINGLE PROP.</p>



FRED FEASEL J No. 1G
LAT. 36.61754 N (NAD 83)
LONG. 107.87668 W (NAD 83)
LAT. 36-37-03.1 N (NAD 27)
LONG. 107-52-33.8 W (NAD 27)

**THIS MAP IS FOR ESTIMATING PURPOSES ONLY.
CONSTRUCTION FOOTAGES ARE APPROXIMATE.**

XTO ENERGY INC.

SAN JUAN BASIN
 SEC 34 T28N R10W
 CUM PROD @ 62007
 San Juan County, NM

Ratio Scale = 1 : 24,000



POSTED WELL DATA

Operator
 Well Label

PdCum - CUMOIL, MBBL/D
 PdCum - CUMGAS, IN
 PdCum - OILRATE YTD, BBL/D
 PdCum - FROM DATE-TO DATE
 PdCum - FNAME
 PdCum - EUR, MMLCF

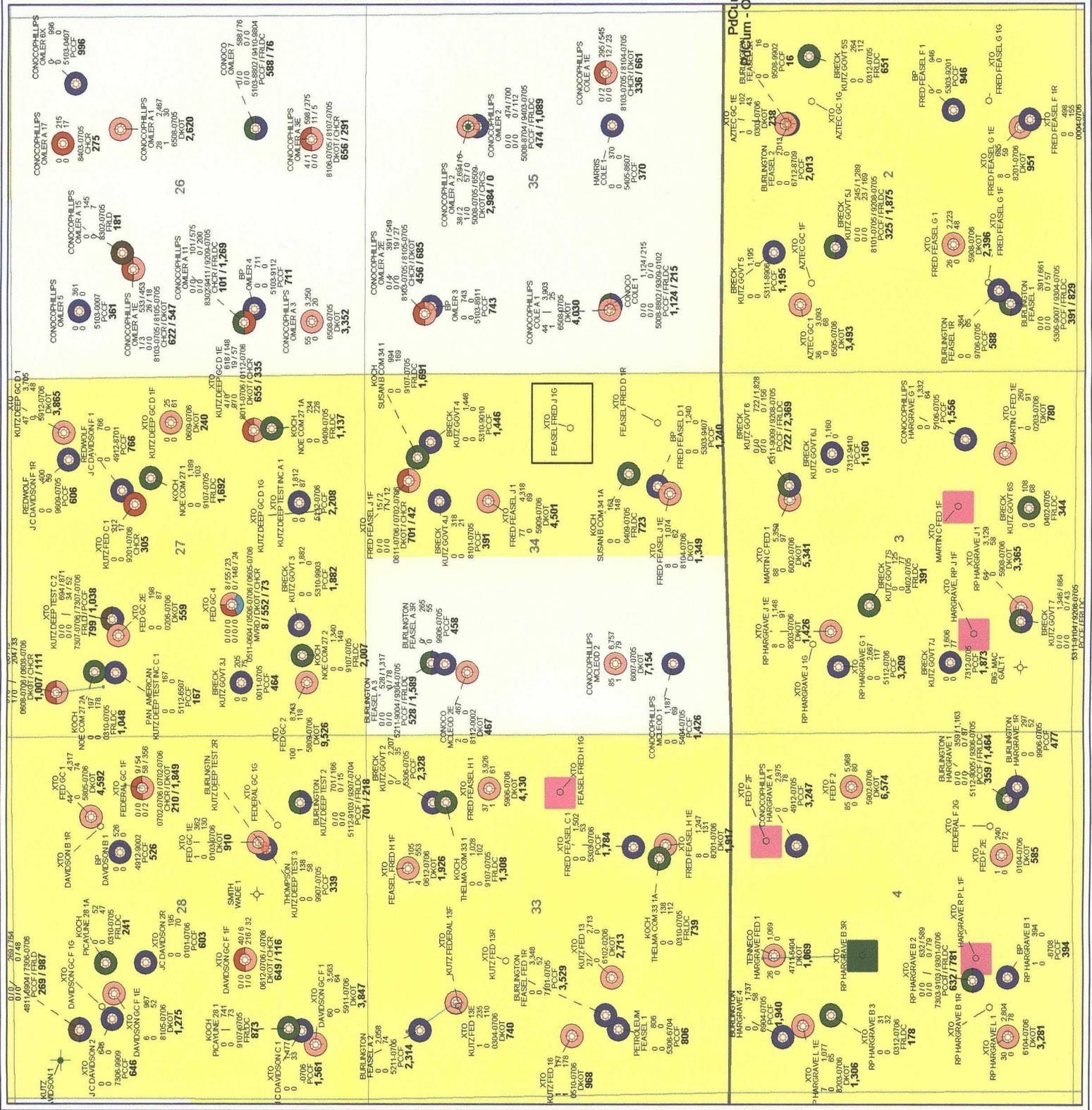
ATTRIBUTE MAP



WELL SYMBOLS



By: Jane Foster
 September 28, 2007





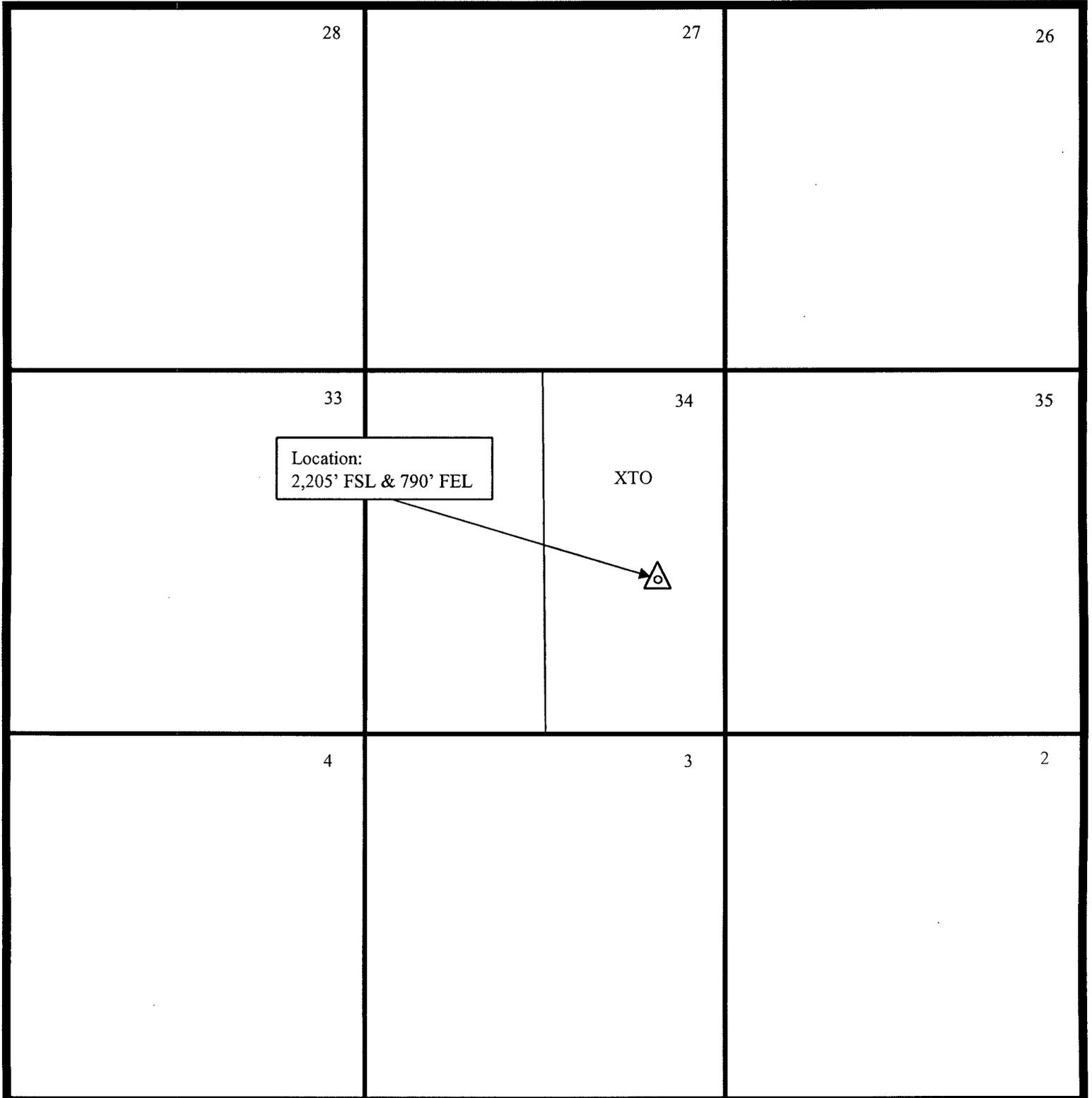
SECTION PLAT OF 9 SQUARE MILES

STATE: New Mexico COUNTY: San Juan

PROSPECT: Fred Feasel J #1G DATE: September 28, 2007

SECTION: 34 TOWNSHIP: 28 North RANGE: 10 West

SCALE: 1'=2000'





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October 5, 2007

FEDERAL EXPRESS

Mr. Mark Fesmire
New Mexico Oil Conservation Division
1220 S St Francis Dr
Santa Fe NM 87505

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Fred Feasel J #1G
2,205' FSL and 790' FEL, Section 34, T28N, R10W
San Juan County, New Mexico
Mancos & Chacra formations

Dear Mr. Fesmire:

XTO Energy Inc. (XTO) requested administrative approval for an unorthodox location for the above referenced well in our letter dated September 28, 2007. In that letter, it was stated XTO owns 100% of the offsetting operating rights to the north in both the Mancos and Chacra formations; therefore no offset owner notice is required. However, it has since been discovered ConocoPhillips Company owns 25% of the operating rights as to the Mancos and Chacra formations in the entire east half of Section 34, Township 28 North, Range 10 West, San Juan County, New Mexico. XTO owns the remaining 75%. ConocoPhillips has since been notified via the well proposal enclosed. We apologize for the oversight. XTO still requests your administrative approval for the unorthodox location based on the information provided in our prior letter. Should you need any additional information, please contact me at (817) 885-3091.

Yours truly,

Ryan O'Kelley
Associate Landman

Enclosures



October 5, 2007

FEDERAL EXPRESS

ConocoPhillips Company
Attn: Rob Helton, Jr.
3401 East 30th St.
Farmington, New Mexico 87499-4289

RE: New Drill Well
Fred Feasel J #1G – DK/MC/CH
SE/4 Section 34-28N-10W
San Juan County, New Mexico

Dear Rob:

XTO Energy Inc. (XTO) hereby proposes to drill the above captioned well to a depth of 6,750' to the Dakota formation. We also plan to move up hole and attempt a completion in the Mancos and Chacra formations and then commingle with the Dakota. Our records indicate that you have a working interest of 25% in the Mancos and Chacra formations only. Our proposed surface location is 2,205' FSL and 790' FEL of the Section. The location is non-standard as to the Chacra and Mancos formations. XTO has applied for administrative approval of the unorthodox location by the letter enclosed dated September 28, 2007.

Enclosed please find a copy of our AFE for the Mancos formation, which provides for a dry hole cost of \$135,490 and a completed well cost of \$389,920. Please also find enclosed a copy of our AFE for the Chacra formation, which provides for a dry hole cost of \$73,440 and a completed well cost of \$212,220. For your records, please find a copy of our AFE for the Dakota formation enclosed as well. Should you elect to participate, please forward an executed copy of both the Mancos and Chacra AFEs and participation election to the undersigned.

Should you have any questions, please feel free to contact me at (817)885-3091.

Sincerely,
XTO ENERGY INC.


Ryan O'Kelley
Associate Landman

Enclosures