

9/23/08 DATE IN	SUSPENSE	W Jones ENGINEER	9/23/08 LOGGED IN	DHC TYPE 4101	PKVR0826756995 APP NO.
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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



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.

LORRI D. BINGHAM
Print or Type Name

[Signature]
Signature

REG COMPLIANCE TECH
Title

9/18/08
Date

Lorri_bingham@xtoenergy.com
e-mail Address

RECEIVED
2008 SEP 23 PM 3 37

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.

382 CR 3100 Aztec, NM 87410

Operator

Address

JF DAY D

#1F

SBC 2"0" 28N 10W

SAN JUAN

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 5380

Property Code 36263

API No. 30-045-34381

Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5757' - 5942'		6511' - 6665'
Method of Production (Flowing or Artificial Life)	FLOWING		FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 15% of the depth of the top perforation in the upper zone)	NEW ZONE		NEW ZONE
Oil Gravity or Gas BTU (Degree API or Gas BTU)	NEW ZONE		NEW ZONE
Producing, Shut-In or New Zone	NEW ZONE		NEW ZONE
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: 75 % Gas: 50 %	Oil: % Gas: %	Oil: 25 % Gas: 50 %

Are all working, overriding, and royalty interests identical in all commingled zones?
If not, have all working, overriding, and royalty interests been notified by certified mail?

Yes No X
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:

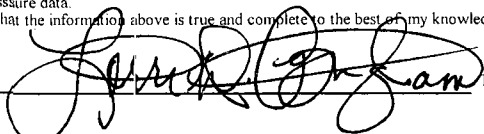
ATTACHMENTS:

- 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



TITLE

REG COMPLIANCE TECH

DATE

9/18/08

TYPE OR PRINT NAME

LORRI D. BINGHAM

TELEPHONE NO.

(505) 333-3204

E-MAIL

Lorri.bingham@xtoenergy.com

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 15 2008

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

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.

5 Lease Serial No	NMSF047039A
6 If Indian, Allottee or Tribe Name	
7 If Unit or CA/Agreement, Name and/or No	
8 Well Name and No	JF DAY D #1F
9 API Well No	30-045-34381
10 Field and Pool, or Exploratory Area	BASIN DAKOTA WILDCAT BASIN MANCOS
11 County or Parish, State	SAN JUAN NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well	<input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other
2 Name of Operator	XTO Energy Inc.
3a Address	382 CR 3100 AZTEC, NM 87410
3b Phone No (include area code)	505-333-3100
4 Location of Well (Footage, Sec., T., R., M., or Survey Description)	1130' FSL & 1975' FEL SEC 20"O"-T28N-R10W

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>DOWNHOLE</u>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <u>COMMINGLE</u>
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> 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 recompleate 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 recompletion 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 Easin Mancos in the JF Day D #1F. XTO proposes to downhole commingle these pools upon completion of this well.

Allocations are based upon cm production from this well and are calculated as follows:

Basin Dakota	Gas: 50%	Water: 67%	Oil: 25%
Wildcat Basin Mancos	Gas: 50%	Water: 33%	Oil: 75%

RCVD JUL 17 '08

OIL CONS. DIV.
DIST. 3

Pools are in the New Mexico Oil Conservation Division pre-approved pool combination of downhole commingling in the San Juan Basin. Working interest, net royalty interest & overriding royalty interest owners have been notified by certified, return receipt mail on 5/13/08. The NMOC has been notified of our intent by submission of a C-103. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

DHC 2916 AZ suspended pending Basin Mancos

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)	Title
LORRI D. BINGHAM	REGULATORY COMPLIANCE TECH
Signature	Date
	7/14/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
	GCO	7-15-08
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	
	FFD	

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.

NMOC

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
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

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

Form C-103
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (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	WELL API NO. 30-045-34381
2. Name of Operator XTO Energy Inc.	5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator 382 CR 3100 AZTEC, NM 87410	6. State Oil & Gas Lease No.
4. Well Location Unit Letter O 1130 feet from the SOUTH line and 1975 feet from the EAST line Section 20 Township 28N Range 10W NMPM County SAN JUAN	7. Lease Name or Unit Agreement Name: JF DAY D
	8. Well Number #1F
	9. OGRID Number 5380
	10. Pool name or Wildcat BASIN DAKOTA/WILDCAT BASIN MANCOS
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
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:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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. requests an exception to NMOC rule 303-C to permit DHC of production from the Basin Dakota pool (71599) and the Basin Mancos pool (97232). XTO proposes to DHC the two pools upon completion of the well. Proposed allocations are based on prod from this well & are calculated as follows:

Basin Dakota	Gas: 50%	Water: 67%	Oil: 25%
Basin Mancos	Gas: 50%	Water: 33%	Oil: 75%

Ownership in pools is diverse & notification was made to owners by certified mail, return receipt on 5/13/08. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. Application for DHC was submitted to BLM 7/14/08.

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/closed according to NMOC guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Lorri D. Bingham TITLE REGULATORY COMPLIANCE TECH DATE 7/14/08
Type or print name LORRI D. BINGHAM E-mail address: lorri_bingham@ctoenergy.com Telephone No. 505-333-3100

For State Use Only

APPROVED BY _____ TITLE _____ DATE _____
Conditions of Approval, if any:

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

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
Fee Lease - 3 Copies
State Lease - 4 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34381		² Pool Code 97232	³ Pool Name WILDCAT BASIN MANCOS
⁴ Property Code 22688	⁵ Property Name JF DAY D		⁶ Well Number #1F
⁷ OGRID No. 5380	⁸ Operator Name XTO Energy, Inc.		⁹ Elevation 6071'

¹⁰ Surface Location

UL or lot no. O	Section 20	Township 28N	Range 10W	Lot Idn	Feet from the 1130	North/South line SOUTH	Feet from the 1975	East/West line EAST	County SAN JUAN
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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
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¹² Dedicated Acres DK 320 MC 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

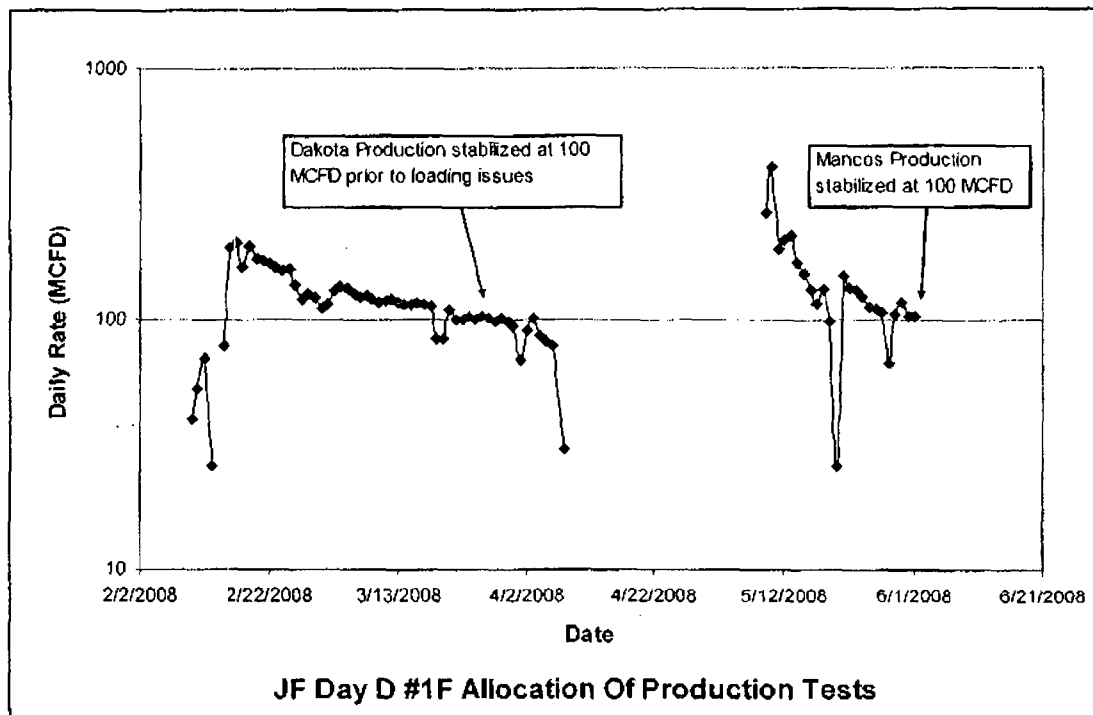
				¹⁶ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true & complete to the best of my knowledge & belief and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to 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.</i>	
				Signature Lorri D. Bingham Printed Name Regulatory Compliance Tech Title 7/14/08 Date	
				¹⁷ SURVEYOR CERTIFICATION <i>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 & correct to the best of my belief.</i> MARCH 21, 2000 Date of Survey Original Survey Signed By: NEALE C. WEWARDS 6857 Certificate Number	

JF Day D #1F

This well was a new drill that XTO used as a test well to determine allocations for production. The Dakota and Mancos were both artificially lifted by plunger lift and put on compression. Each zones production stabilized at 100 MCFD before liquid loading issues were encountered.

Production			
	OIL	GAS	WATER
Mancos	3 BOPD	100 MCFD	2 BWPD
Dakota	1 BOPD	100 MCFD	4 BWPD

Allocations			
	OIL	GAS	WATER
Mancos	75%	50%	33%
Dakota	25%	50%	67%





382 CR 3100
Aztec, NM 87410

May 13, 2008

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling
JF Day D #1F
Unit O, Sec 2, 28N, R10W

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the Basin Dakota and the Wildcat Basin Mancos pools in the JF Day D #1F. Commingling of these pools will minimize operating costs, add reserves and improve economics of the well. Allocations will be determined after 1 month of production.

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between zones. If you need additional information or have any questions, I may be contacted at (505) 333-3100. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Lorri D. Bingham". The signature is fluid and cursive, with a large loop at the end.

Lorri D. Bingham
Regulatory Compliance Tech

xc: well file

FULLERTON TRUST A A.R.
KENDRICK, SUCC. TRUSTEE
PO BOX 382
SANTA FE, NM 875040382

DAY, JF D 01F DHC

FULLERTON TRUST A A.R.
KENDRICK, SUCC. TRUSTEE
PO BOX 382
SANTA FE, NM 875040382

DAY, JF D 01F DHC

FULLERTON TRUST A A.R.
KENDRICK, SUCC. TRUSTEE
PO BOX 382
SANTA FE, NM 875040382

DAY, JF D 01F DHC

FULLERTON TRUST B A.R.
KENDRICK, SUC. TRUSTEE
PO BOX 382
SANTA FE, NM 875040382

DAY, JF D 01F DHC

FULLERTON TRUST B A.R.
KENDRICK, SUC. TRUSTEE
PO BOX 382
SANTA FE, NM 875040382

DAY, JF D 01F DHC

FULLERTON TRUST B A.R.
KENDRICK, SUC. TRUSTEE
PO BOX 382
SANTA FE, NM 875040382

DAY, JF D 01F DHC

MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298

DAY, JF D 01F DHC

MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298

DAY, JF D 01F DHC

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C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298

DAY, JF D 01F DHC

NEELY-ROBERTSON REV FAM TRUST
CARLA NEELY & DONNA
P O BOX 29562
SANTA FE, NM 875920000

DAY, JF D 01F DHC

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SANTA FE, NM 875920000

DAY, JF D 01F DHC