

DATE IN 11.5.10	SUSPENSE	ENGINEER DKB.	LOGGED IN 11.5.10	TYPE NSL	APP NO. PTG-W 1030954682
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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

Johnson Gas Com B #1F

ADMINISTRATIVE APPLICATION CHECKLIST **30-045-34831**

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]

6305

[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.

RYAN O'KELLEY
 Print or Type Name

Signature

LANDMAN
 Title

11/05/2010
 Date

RYAN.OKELLEY@XTOENERGY.COM
 e-mail Address



November 3, 2010

FEDERAL EXPRESS

Mr. Mark Fesmire
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 Johnson Gas Com B #1F
385' FNL and 1,860' FEL, Section 21, T27N, R10W
San Juan County, New Mexico
Dakota & Mancos Formations

RECEIVED OGD
2010 NOV -5 P 1:51

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. Aerial Photograph of the Proposed location
4. Dakota & Mancos Ownership Maps
5. Dakota & Mancos Production Maps

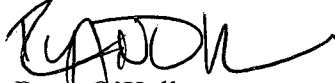
At the proposed location of 385' FNL and 1,860' FEL, the above captioned well is at a non-standard location to the north by 275' for both the Dakota and Mancos formations. The well was placed at this location due to topographic issues and to avoid nearby power lines as well as an existing pipeline. The Dakota and Mancos formations are spaced on 320-acre E/2 stand-up units.

The non-standard location will encroach on XTO's operated Dakota/Mancos Unit to the north. Being as XTO is the operator of the encroached Unit, no other operators have been notified. As a courtesy, XTO has notified each Dakota/Mancos WI owner listed via a copy of this letter.

*Mr. Mark Fesmire
New Mexico Oil Conservation Division
Johnson Gas Com B #1F – DK/MC
November 3, 2010
Page Two*

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,

A handwritten signature in black ink, appearing to read "Ryan O'Kelley", with a stylized flourish at the end.

Ryan O'Kelley
Landman

Enclosures

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

DISTRICT II
1301 W. Grand Avenue, Artesia, 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 87504-2088

Form C-102

Revised October 12, 2005

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code 22749	⁵ Property Name JOHNSON GAS COM B	⁶ Well Number 1F
⁷ GRID No. 5380	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6070

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
B	21	27-N	10-W		385	NORTH	1860	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 E/2 320			¹³ Joint or Infill		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

<div>16</div> <div>FD. 2 1/2" BC. 1913 G.L.O.</div> <div><p>SURFACE LOCATION</p><p>LAT: 36.56693° N. (NAD 83) LONG: 107.89829° W. (NAD 83)</p><p>LAT: 36°34'00.9" N. (NAD 27) LONG: 107°53'51.6" W. (NAD 27)</p></div> <div>21</div>	<div>17</div> <div>FD. 2 1/2" BC. 1913 G.L.O.</div> <div><p>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><i>Kyla Vaughan</i> 10/15/08 Signature Date <i>Kyla Vaughan</i> Printed Name</p></div>
<div>18</div> <div>FD. 2 1/2" BC. 1913 G.L.O.</div> <div><p>SURVEYOR CERTIFICATION</p><p>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 knowledge and belief.</p><p>FEBRUARY 18, 2008 Date of Survey Signature and Seal of Professional Land Surveyor: <i>[Signature]</i> 8894 Certificate Number</p></div>	

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

DISTRICT II
1301 W. Grand Avenue, Artesia, 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 87504-2088

Form C-102

Revised October 12, 2005

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Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 97232	³ Pool Name BASIN MANCOS
⁴ Property Code 22749	⁵ Property Name JOHNSON GAS COM B	⁶ Well Number 1F
⁷ OGRID No. 5380	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6070

¹⁰ Surface Location

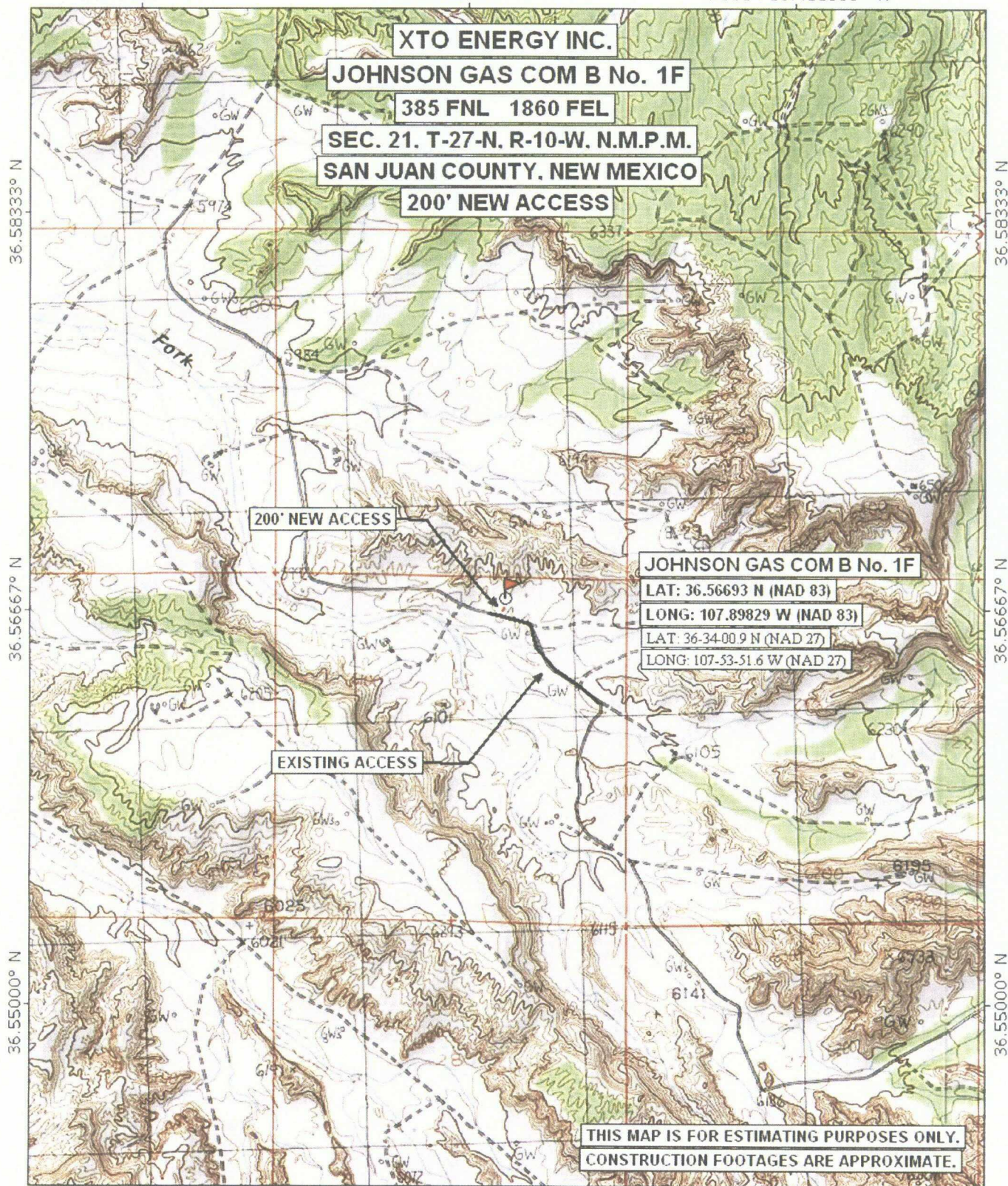
UL or lot no. B	Section 21	Township 27-N	Range 10-W	Lot Idn	Feet from the 385	North/South line NORTH	Feet from the 1860	East/West line EAST	County SAN JUAN
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres E/2 320		¹³ Joint or Infill		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>FD. 2 1/2" BC. 1913 G.L.O.</p> <p>385'</p> <p>N 89°46'48" W 2636.55'</p> <p><u>SURFACE LOCATION</u> LAT: 36.56693° N. (NAD 83) LONG: 107.89829° W. (NAD 83) LAT: 36°34'00.9" N. (NAD 27) LONG: 107°53'51.6" W. (NAD 27)</p> <p>21</p>	<p>17</p> <p>FD. 2 1/2" BC. 1913 G.L.O.</p> <p>1860'</p> <p>S 00°05'25" E 2636.64'</p> <p>OPERATOR CERTIFICATION 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><i>Kyla Vaughan</i> 10/15/08 Signature Date <i>Kyla Vaughan</i> Printed Name</p>
<p>21</p> <p>FD. 2 1/2" BC. 1913 G.L.O.</p>	<p>18</p> <p>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 knowledge and belief.</p> <p>FEBRUARY 10, 2008 Date of Survey Signature and Seal of Surveyor <i>Roy R. Rush</i> NEW MEXICO 8894 22-07 PROFESSIONAL LAND SURVEYOR</p> <p>8894 Certificate Number</p>





36 34' 00.9"N, 107 53' 51.6"W JOHNSON GAS COM B No. 1F

Image © 2008 DigitalGlobe

2008 Google



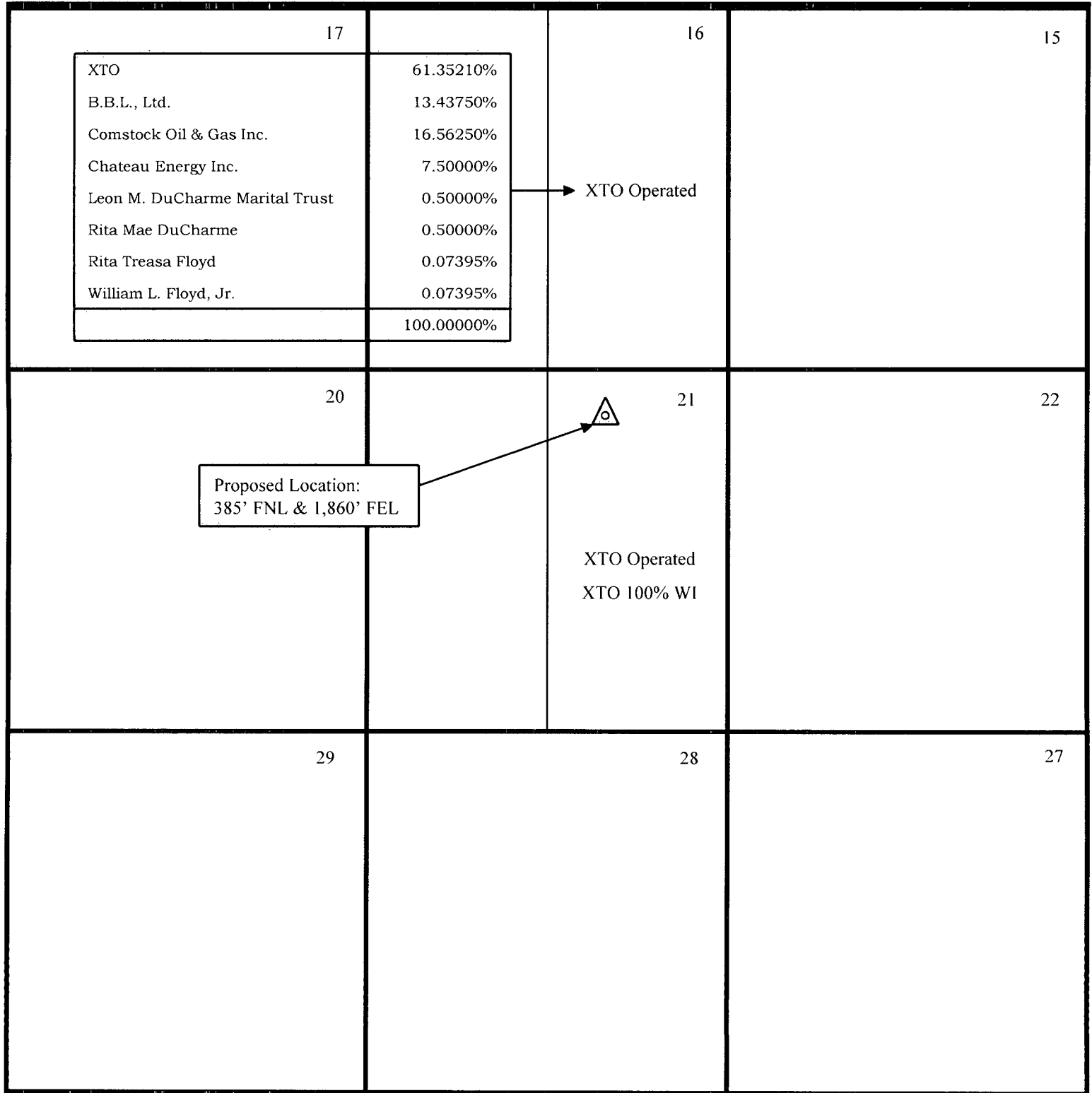
SECTION PLAT OF 9 SQUARE MILES

STATE: New Mexico COUNTY: San Juan

PROSPECT: Johnson Gas Com B No. 1F – DK DATE: November 3, 2010

SECTION: 21 TOWNSHIP: 27 North RANGE: 10 West

SCALE: 1"=2000'



*Working Interest Owners shown above as to the Dakota formation Only



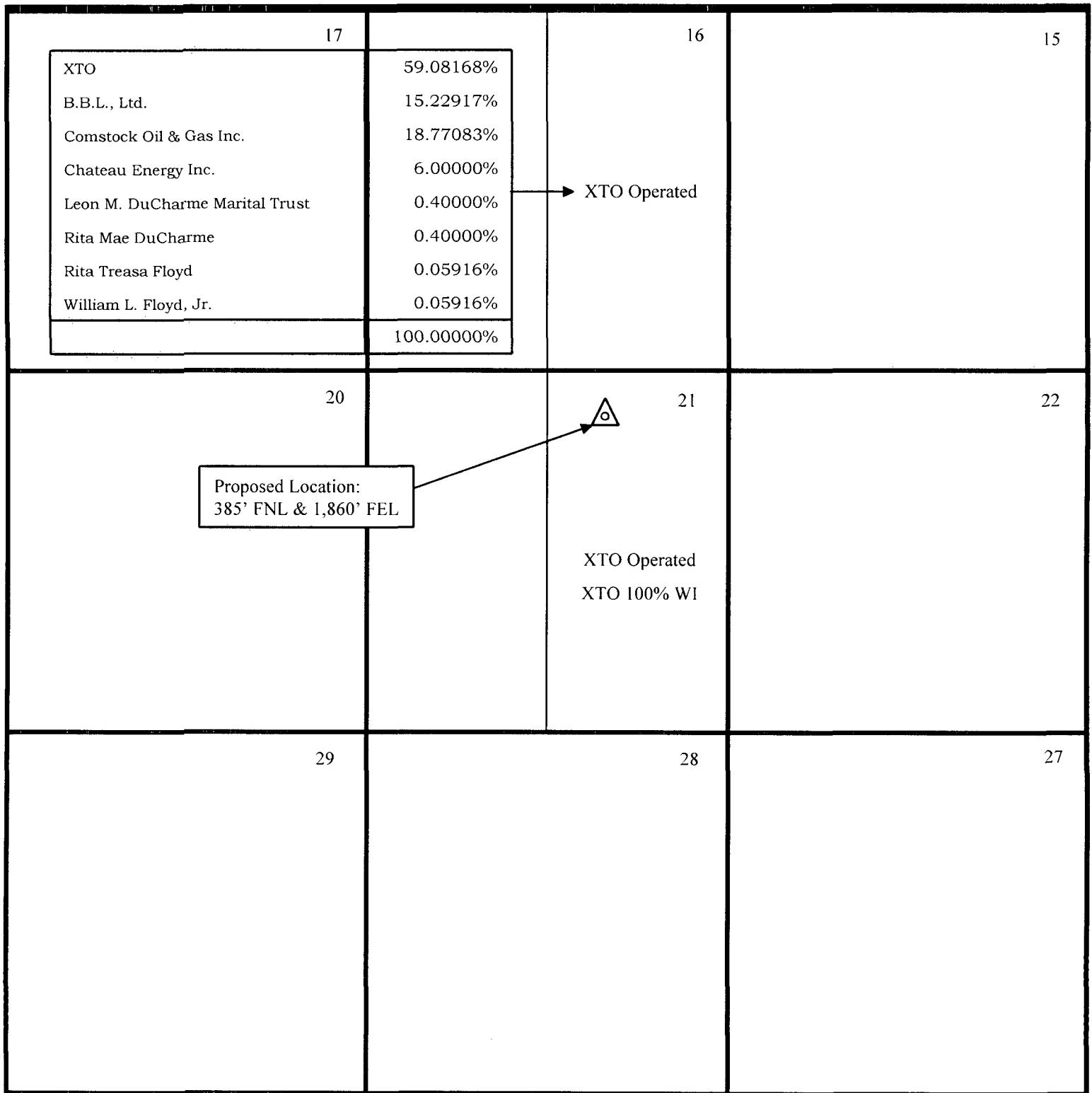
SECTION PLAT OF 9 SQUARE MILES

STATE: New Mexico COUNTY: San Juan

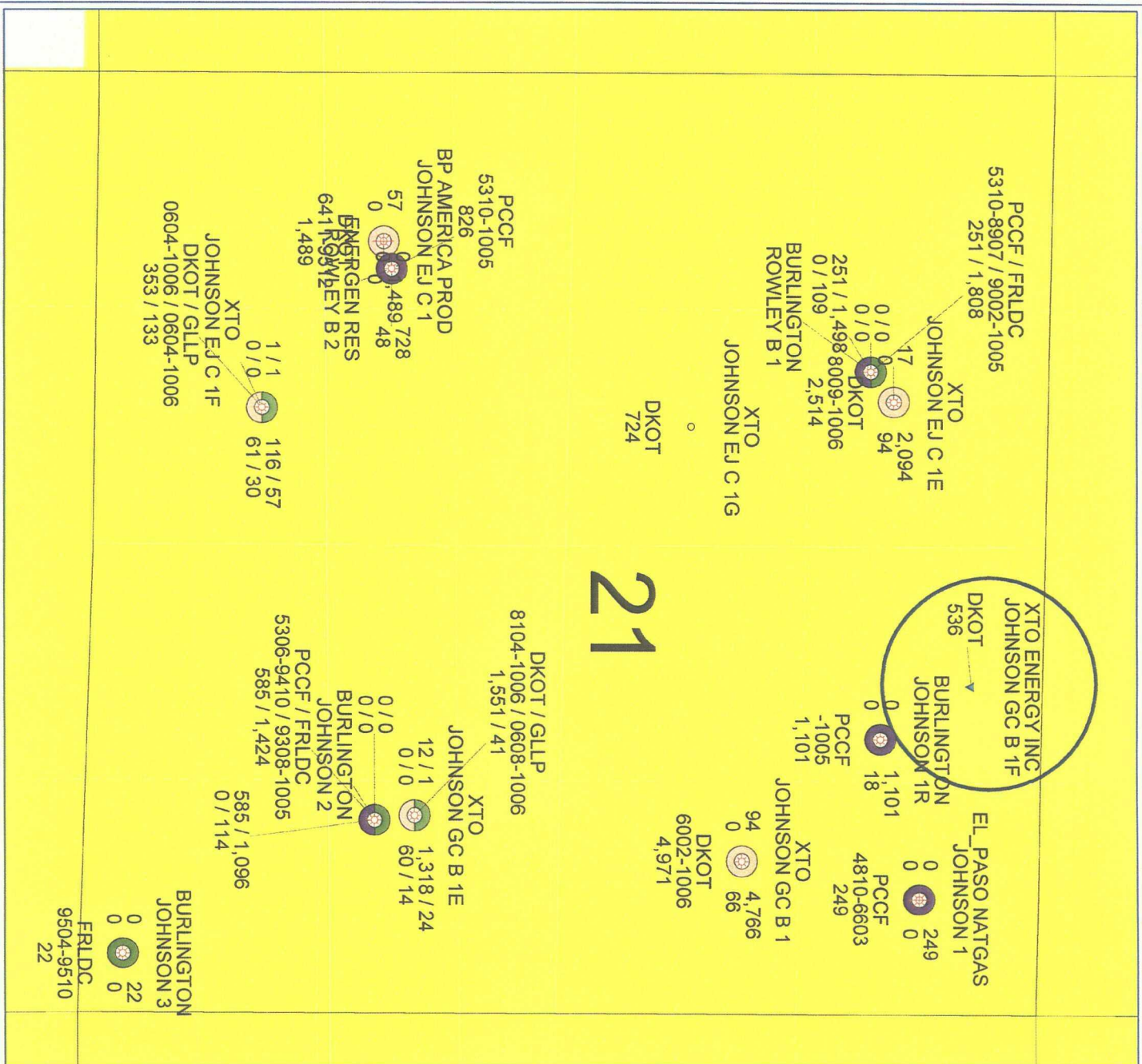
PROSPECT: Johnson Gas Com B No. 1F – MC DATE: November 3, 2010

SECTION: 21 TOWNSHIP: 27 North RANGE: 10 West

SCALE: 1"=2000'



*Working Interest Owners shown above as to the Mancos formation Only



XTO Energy Inc.

San Juan Basin

NE1/4 of Sec 21 T27N R10W

Johnson Gas Cont B #1-F

NSL Request for Dakota/Gallup New Drill

0 802

FEET

WELL SYMBOLS

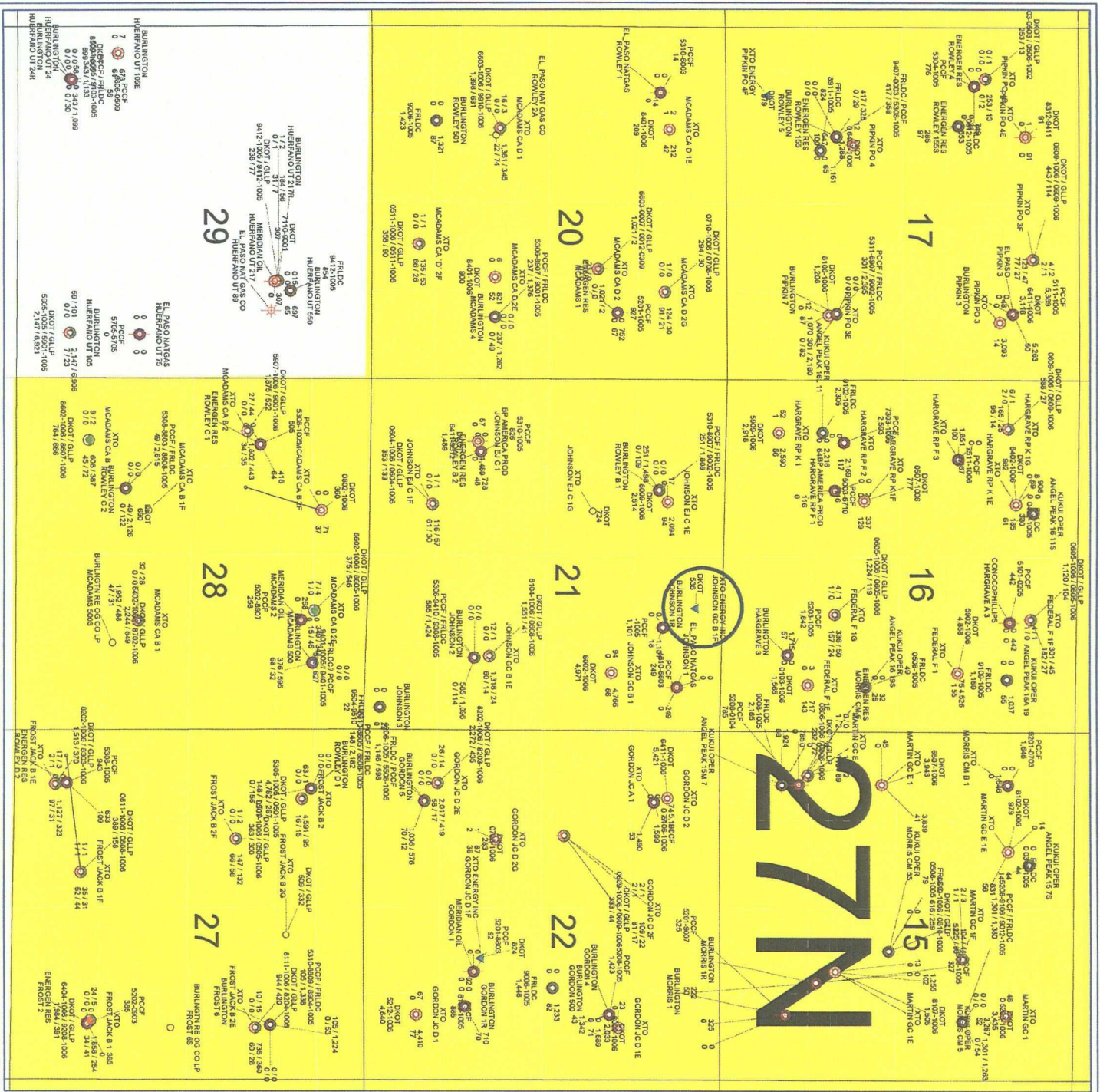
Gas Well

Location Only

P&A Gas Well

Staked Location

October 22, 2010



WELL SYMBOLS

- Dry Hole
- Gas Well
- Location Only
- Oil & Gas Well
- Oil Well
- P&A Gas Well
- ▲ Staked Location

NE 1/4 of Sec 21 T27N R10W

Johnson Gas Con B #1F

NSL Request for Data/Callup New Drill

XTO Energy Inc.

San Juan Basin

October 22, 2010

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Monday, November 15, 2010 1:49 PM
To: 'Ryan_O'Kelley@xtoenergy.com'
Subject: Johnson Gas Com. B #1F - NSL Application

Dear Mr. O'Kelley

I have in hand the referenced application.

Regarding notice requirements for this application, I call your attention to Division Rules 4.12.A(2)(b) and 15.13.D. Rule 4.12.A(2)(b) requires that if the applicant is also operator of the offsetting tract, and ownership is not identical, notice must be given to the working interest owners in the offsetting tract. You indicate that you have done this. However, Rule 15.13.D requires that the notice include a specific admonition to the notified parties that they have 20 days to file an objection with OCD. Your letter does not state that the required admonition was included in the notices to the offsetting working interest owners.

If the offsetting working interest owners were given that admonition, then we will need you to file a certification that this was done. Otherwise, new notices will be required.

Sincerely

David K. Brooks
Legal Examiner



November 15, 2010

FEDERAL EXPRESS

Working Interest Owner
(See attached)

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Johnson Gas Com B #1F
385' FNL and 1,860' FEL, Section 21, T27N, R10W
San Juan County, New Mexico
Dakota & Mancos formations

Dear Working Interest Owner:

Enclosed is a copy of an Application for Administrative Approval of Unorthodox Location for the Johnson Gas Com B #1F Well that has been sent to the New Mexico Oil Conservation Commission (NMOCD) for administrative approval. If you have no objection to the proposed non-standard location, please so indicate by signing and returning one copy of this letter to me at the address on shown at the bottom of this letter as soon as possible. If you do have an objection, you have 20 days from receipt of this notice to file such objection with the NMOCD.

Should you have any questions or need more information, please contact me at (817) 885-3091. Your prompt attention to this matter will be very much appreciated.

Yours truly,

A handwritten signature in black ink, appearing to read 'Ryan O'Kelley', written over a horizontal line.

Ryan O'Kelley
Landman

Enclosures

cc: Mr. David Brooks, NMOCD (*via email*)

_____ hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Johnson Gas Com B #1F Well, as depicted on the enclosed plat.

By: _____
Printed Name: _____
Date: _____

**XTO Energy Inc.'s Johnson Gas Com B #1F - offset Working Interest Owners (E/2
Section 16, Township 27 North, Range 10 West, Dakota & Mancos formations)**

COMSTOCK OIL & GAS COMPANY
5300 TOWN & COUNTRY BLVD. #500
FRISCO, TX 75034

B.B.L., LTD.
P.O. BOX 911
BRECKENRIDGE, TX 76424

CHATEAU ENERGY, INC.
10440 N. CENTRAL EXPRESSWAY STE 1475
DALLAS, TX 75231

LEON M. DUCHARME MARITAL TRUST
RITA MAE DUCHARME & JOYCE J. NEVILLE, CO-TRUSTEES
2617 S. WADSWORTH CIR
LAKEWOOD, CO 80227

WILLIAM L. FLOYD, JR
16 EAST 77TH ST., #5A
NEW YORK, NY 10021

RITA TREASA FLOYD
C/o FARMERS NATIONAL CO. – AGENT
ATTN: MS. CAROLYN SUTTON
5110 S. YALE, SUITE 400
TULSA, OK 74135

RITA MAE DUCHARME
2617 S. WADSWORTH CIR
LAKEWOOD, CO 80227

Brooks, David K., EMNRD

From: Ryan_O'Kelley@xtoenergy.com
Sent: Tuesday, November 16, 2010 10:07 AM
To: Brooks, David K., EMNRD
Subject: Re: Johnson Gas Com. B #1F - NSL Application
Attachments: Johnson GC B 1F - NSL notice to offsetting WI.pdf

Good afternoon Mr. Brooks - per your request and as required, the attached notice was sent today, November 16, 2010, to each offsetting WI owner listed, via certified mail.

Please advise should you have any questions or need additional information. Thank you for your help regarding this matter -

Ryan O'Kelley
Landman
XTO Energy Inc.
810 Houston St.
Fort Worth, TX 76102
Office: (817) 885-3091
Fax: (817) 885-1854

"Brooks, David K., EMNRD" <david.brooks@state.nm.us>

To <Ryan_O'Kelley@xtoenergy.com>

cc

11/15/2010 02:49 PM

Subject Johnson Gas Com. B #1F - NSL Application

Dear Mr. O'Kelley

I have in hand the referenced application.

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If the offsetting working interest owners were given that admonition, then we will need you to file a certification that this was done. Otherwise, new notices will be required.

Sincerely

David K. Brooks
Legal Examiner

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