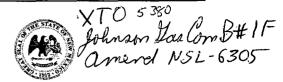
ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



ADMINISTRATIVE APPLICATION CHECKLIST 30-045-34831

			THE DIVISION LEVEL IN SANTA FE	DIV ROLES AND REGULATIONS
Аррис	[DHC-Dow	ndard Location] [NSP-Non-Standard nhole Commingling] [CTB-Lease C ol Commingling] [OLS - Off-Lease	Commingling] [PLC-Pool/Lea Storage] [OLM-Off-Lease N X-Pressure Maintenance Expa Pl-Injection Pressure Increase	ise Commingling] Neasurement] Insion] e] (AST)
[1]	TYPE OF AF	PLICATION - Check Those Which Location - Spacing Unit - Simultane NSL NSP SD		NSL-6305
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measuren DHC CTB PLC		LM
	[C]	Injection - Disposal - Pressure Incre		PR
	[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	s or Surface Owner	
	[C]	Application is One Which Req	uires Published Legal Notice	
	[D]	Notification and/or Concurrent U.S. Bureau of Land Management - Commission	t Approval by BLM or SLO oner 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.			
	al is <mark>accurate</mark> a	TION: I hereby certify that the information and complete to the best of my knowled quired information and notifications a	edge. I also understand that no	
	Note	: Statement must be completed by an indivi	dual with managerial and/or supervi	sory capacity.
Print or Type Name		Signature	Title	Date
			e-mail Address	

Brooks, David K., EMNRD

From:

Ryan O'Kelley@xtoenergy.com

Sent:

Tuesday, December 14, 2010 9:07 AM

To:

Brooks, David K., EMNRD

Subject:

Re: XTO Energy, Inc. - Johnson Gas Com B #1F; NSL Application

Attachments:

XTO Johnson Gas Com B #1F.doc

Mr. Brooks - I discovered an small oversight on the attached NSL application and subsequent approval. This well will falls within the Angels Peak Gallup Gas pool, which, for a gas well, is spaced the same as indicated on the application, E/2 of Section 21, 320 acres. My original application states Mancos and while recent commission orders show no substantial difference between the Gallup and Mancos formations, I still wanted to bring it to your attention and ask for a revision to the approved application indicating Angels Peak Gallup formation and not Basin-Mancos. The ownership between the Mancos and Gallup formation within the E/2 of Section 21, as well as the adjacent spacing unit, the E/2 of Section 16, is the same. When you have a moment, please review and advise should you require additional information. Thanks for you time and help -

Ryan O'Kelley Sr. 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>

12/09/2010 09:30 AM

cc "Perrin, Charlie, EMNRD" < charlie.perrin@state.nm.us, "Kautz, Paul, EMNRD" < paul.kautz@state.nm.us, jay-spielman@nm.blm.gov, ll-wb@austin.rr.cóm

Subject XTO Energy, Inc. - Johnson Gas Com B #1F; NSL Application

Dear Mr. O'Kelley

The referenced non-standard location application was approved on December 7, 2010 by order NSL-6305.

The signed, original order will be posted on OCD's website.

Sincerely

David K. Brooks Legal Examiner

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Bill Richardson

Governor

Jim Noel Cabinet Secretary

Karen W. Garcia
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



December 7, 2010

XTO Energy Inc. Attn: Ryan O'Kelley 810 Houston Street Fort Worth, TX 76102-6298

Administrative Order NSL-6305

Re: Johnson Gas Com. B Well No. 1F API No. 30-045-34831 385 feet FNL & 1860 feet FEL

385 feet FNL & 1860 feet FEL Unit B, Section 21-27N-10W San Juan County, New Mexico

Dear Mr. O'Kelley:

Reference is made to the following:

- (a) your application (administrative application reference No. pTGW10-30954682) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on November 5, 2010, and
 - (b) the Division's records pertinent to this request.

XTO Energy Inc. (XTO) has requested to drill the above-referenced well at an unorthodox gas well location, as described above in the caption of this letter. The E/2 of Section 21 will be dedicated to this well in order to form standard 320-acre gas spacing and proration units in the Basin-Dakota Gas Pool (71599) and in the Basin-Mancos Gas Pool (97232). Spacing in the Basin-Dakota Gas Pool is governed by Rules II.A and II.C of the Special Rules and Regulations for the Basin-Dakota Gas Pool, as most recently amended by Order No. R-10987-B(2), issued on January 29, 2002. Spacing in the Basin-Mancos Gas Pool is governed by the Special Rules for the Basin-Mancos Gas Pool, as promulgated in Order R-12984, issued on September 3, 2008. Both of these rules provide for 320-acre units, with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from the northern unit boundary.

Oil Conservation Division
1220 South St. Francis Drive Santa Fe, New Mexico 87505
Phone (505) 476-3440 Fax (505) 476-3462 www.emnrd.state.nm.us/OCD



December 15, 2010 Page 2

Your application has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

It is our understanding that you are seeking this location for topographic reasons.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Mark E. Fesmire, P.E. Acting Director

MEF/db

cc: New Mexico Oil Conservation Division - Aztec United States Bureau of Land Management