

DATE IN 12-14-10	SUSPENSE	ENGINEER DKB 12.20.	LOGGED IN 12.20.10	TYPE NSL	APP NO. PT66 1035430178
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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 5380
 Johnson Gas Com B#1F
 Amend NSL-6305

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]

[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

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>

12/09/2010 09:30 AM

To <Ryan_O'Kelley@xtoenergy.com>
cc "Perrin, Charlie, EMNRD" <charlie.perrin@state.nm.us>, "Kautz, Paul, EMNRD" <paul.kautz@state.nm.us>, <jay_spielman@nm.blm.gov>, <llrwb@austin.rr.com>
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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New Mexico Energy, Minerals and Natural Resources Department

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
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



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