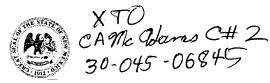
APP NO. 1/09655/43

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



		ADMINISTRATIVE APP	LICATION CHECKLIS	ST
TI	HIS CHECKLIST IS N	ANDATORY FOR ALL ADMINISTRATIVE APPLIC		JLES AND REGULATIONS
Applic	[DHC-Dow	ndard Location] [NSP-Non-Standard	Proration Unit] [SD-Simultaneou ommingling] [PLC-Pool/Lease (Storage] [OLM-Off-Lease Meas (-Pressure Maintenance Expansion Pl-Injection Pressure Increase]	s Dedication] Commingling] urement] on]
[1]	TYPE OF A	PPLICATION - Check Those Which A Location - Spacing Unit - Simultane NSL NSP SD		
	Check [B]	COne Only for [B] or [C] Commingling - Storage - Measurem DHC CTB PLC	ent PC OLS OLM	
	[C]	Injection - Disposal - Pressure Incre		
	[D]	Other: Specify		
[2]	NOTIFICAT [A]	TION REQUIRED TO: - Check Those Working, Royalty or Overriding		ply
	[B]	Offset Operators, Leaseholders	or Surface Owner	
	[C]	Application is One Which Requ	uires Published Legal Notice	
	[D]	Notification and/or Concurrent U.S. Bureau of Land Management - Commission	Approval by BLM or SLO	
	[E]	For all of the above, Proof of N	otification or Publication is Attach	ed, and/or,
	[F]	Waivers are Attached	,	
[3]		CURATE AND COMPLETE INFO ATION INDICATED ABOVE.	RMATION REQUIRED TO PE	ROCESS THE TYPE
	val is <mark>accurate</mark> :	TION: I hereby certify that the informand complete to the best of my knowle equired information and notifications a	dge. I also understand that no acti	
	Note	: Statement must be completed by an individ	dual with managerial and/or supervisory	capacity.
Ryo	or Type Name	y	Sr. Landman	
Print o	or Type Name	Signature	Title	Date
			e-mail Address	



FEDERAL EXPRESS

Mr. David Brooks 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 C.A. McAdams C No. 2 Well 2,190' FSL and 1,680' FWL, Section 5, T27N, R10W San Juan County, New Mexico Pictured Cliffs Formation

Dear Mr. Brooks:

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. Pictured Cliffs Ownership Map
- 3. Pictured Cliffs Production Map

The above captioned well was drilled and completed in April of 1964 as a W/2. 320 acre Dakota unit. The well produced from the Dakota formation before recently being inactivated due to a casing leak. XTO would now like to move uphole in the existing wellbore and recomplete the well to the Pictured Cliffs formation. The rules state that a well should be located no closer than 660' to the outer boundary of the 160acre unit. Therefore the existing location will not conform to the current footage requirements and is encroaching on the NW/4 160-acre unit. A new well would not be economically feasible to drill for the Pictured Cliffs formation alone. The existing wellbore is in acceptable condition for the recompletion attempt. By moving uphole to the Pictured Cliffs formation, XTO would be able to minimize environmental impact while obtaining additional production.

XTO owns 100% of the offsetting operating rights in the Pictured Cliffs Formation in the NW/4 160-acre unit; therefore no offset owner notice is required. Taking this into account, in addition to the statements made above, XTO requests your administrative approval for the unorthodox location. Should you need any additional information, please feel free to contact me at (817) 885-3091.

"

Mr. David Brooks New Mexico Oil Conservation Division C.A. McAdams C No. 2 - PC April 4, 2011 Page Two

Yours truly,

Ryan O'Kelley Sr. Landman

Enclosures

State of New Mexico

District 1
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505

,	AMENDED	DEDODT
	AMENDED	KEIOKI

		Wi	ELL LC	CATION	I AND ACR	EAGE DEDIC	CATION PLA	AT _			
API Number			_ [² Pool Code		³ Pool Name					
30-	45		77200		FULCHER KUTZ PICTURED CLIFFS						
Property Code 22778 OGRID No.			⁵ Property Name						6 Well Number		
		CA MCADAMS C * Operator Name							#2		
									⁹ Elevation 5900'		
5380		XTO Energy. Inc.									
					¹⁰ Surface I	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
K	5	27N	10W	į	2090'	SOUTH	1680'	WEST	SAN JUAN		
	, ,		11Bot	tom Hole	Location If	Different Fron	n Surface				
UL or lot no. SAME	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
¹² Dedicated Acre PC 160 AC	s ¹³ Joint or	Infill 14 C	onsolidation	Code 15 Or	der No.	L					

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

	17 OPERATOR CERTIFICATION I hereby certify that the information contained here in struct & complete to the best off my knowledge & bettief 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.
	Signature Jeens M. Whiting TEENA M. WHITING
5 —	Title REGULATORY COMP TECH Date 4/5/2011
PICTURED CLIFFS	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 & correct to the best of my belief.
2090	6/23/1984 Date of Survey Original Survey Signed By: John A. Vukonich
	14831 Certificate Number



SECTION PLAT OF 9 SQUARE MILES

STATE:	New Mexico		COUNTY: _		San Juan	
PROSPECT:	C.A. McAdams	No. 2				
SECTION:	5	TOWNSHIP:	27 North		RANGE: 10 West	
SCALE: 1'=2000'						
	31			32		33
	6	XTO 100% WI PC		5	Location: 2,190' FSL & 1,680' FWL	4
	7		· I	8		9

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