



PRV0207454917 AMEND PC NA

March 7, 2002

MAR 12 2002

Mr. David Catanach  
New Mexico Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

RE: Administrative Approval to Surface Commingle  
Florance D LS #1, Florance D LS #14A & Florance D #14B  
Sec 21, T-27-N R-8-W  
San Juan County, New Mexico

Dear Mr. Catanach,

XTO Energy, Inc. (XTO) requests administrative approval to surface commingle the Florance D #14B with the Florance D LS #1 & Florance D LS #14A. The Florance D #14B will be new Blanco Mesaverde well. The Florance D LS #1 and Florance D LS #14A are already surface commingled per NMOCD order PC-1025.

All three wells are located on the same Federal Lease #NMNM - 03380 and working, revenue and royalty interest owners are common. Mr. Frank Chavez at the NMOCD Aztec office said that since this is a single lease and all interests are common that interest owner notification was not necessary. The Bureau of Land Management (BLM) has requested that central tank batteries be utilized to minimize land disturbance whenever possible. Production allocation testing is described on the attached document.

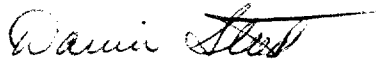
The following are enclosed for your review of the proposed surface commingling amendment.

1. Well information table.
2. Battery schematic of proposed installation.
3. Well location plat.
4. Proposed testing schedule and procedure for allocation purposes.

If you need additional information or have any questions, please give me a call at (505) 324-1090.

564-6723

Sincerely,  
XTO ENERGY, INC

  
Darrin L. Steed  
Operations Engineer

Enclosures

Cc: DLS File  
Well File  
GLM

C:\Work\Surface Commingles\Florance D LS #1, #14A & #14B.doc

### **Proposed Testing Procedure and Schedule**

The Florance D LS #1 produces no water or oil. Gas production is measured at the allocation meter #22024 prior to compression.

The Florance D #14B will have all oil, water and gas commingled at the Florance D LS #14A separator. Allocation of oil, water and gas between these two wells will be determined on a semiannual basis. Since the Florance D #14B is a new well and more prone to production rate variance it will be shut in during testing. The Florance D LS #14A was completed in 1995 and will maintain a stable production rate over the six month allocation period.

The Florance D #14B will be shut in until a stabilized flow rate is obtained from the Florance D LS #14A. All oil and water production will be measured daily to obtain average volumes for allocation. Production from the Florance D LS #14A will be determined by the following equation:

$$\text{Gas Production} = \text{Volume @ meter \#97929} - \text{Volume @ meter \#22024} + \text{Fuel Usage.}$$

This daily average volume will be allocated to this well for the six month period following each test. Once testing is completed the production from the Florance D #14B will be determined by the following equation:

$$\begin{aligned} \text{Gas Production} = & \text{Volume @ meter \#97929} - \text{Volume @ meter \#22024} \\ & + \text{Fuel Usage} - \text{Florance D LS \#14A allocation.} \end{aligned}$$

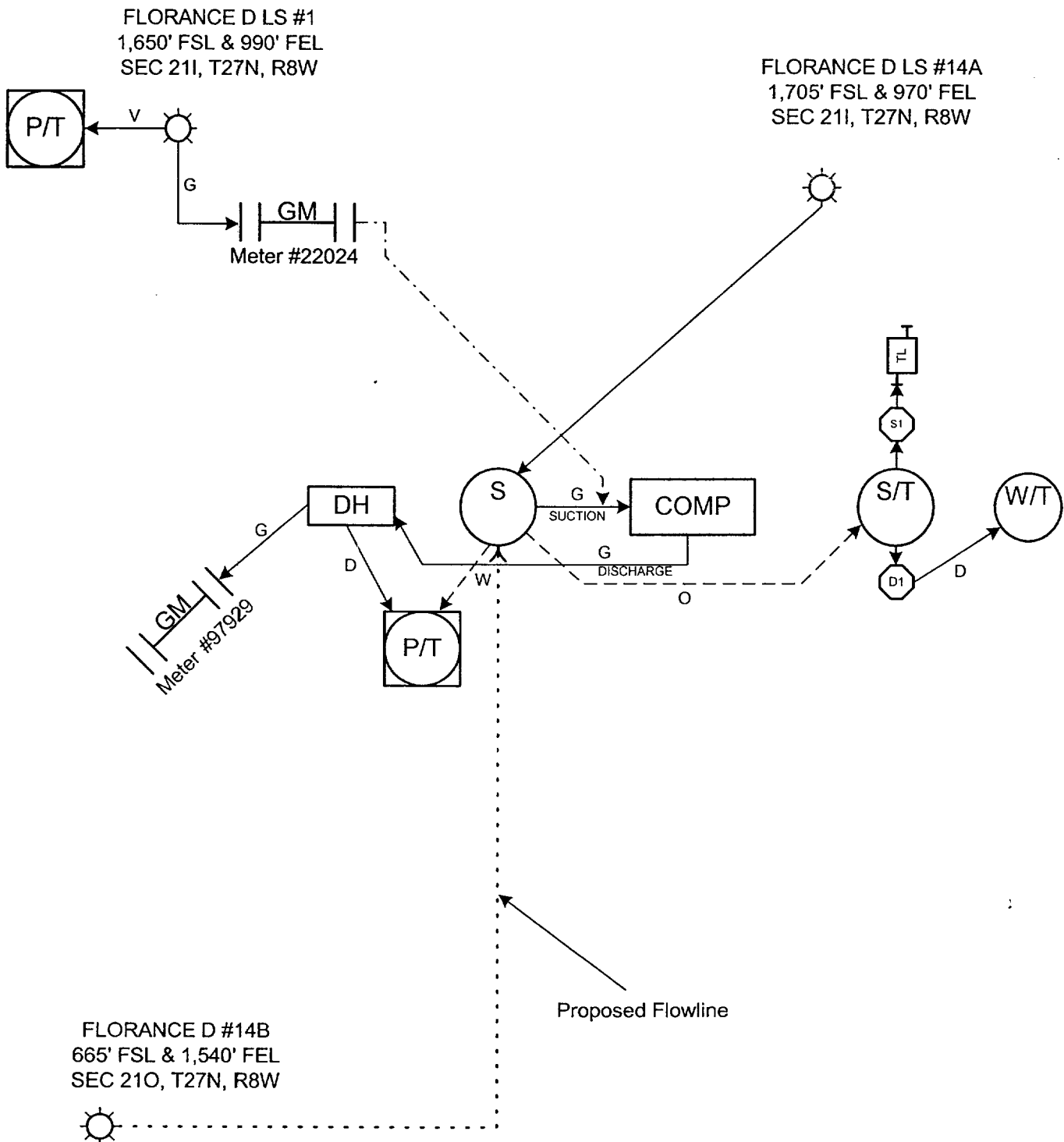
$$\text{Oil and Water Production} = \text{Total volume for each product} - \text{Florance D LS \#14A allocation.}$$

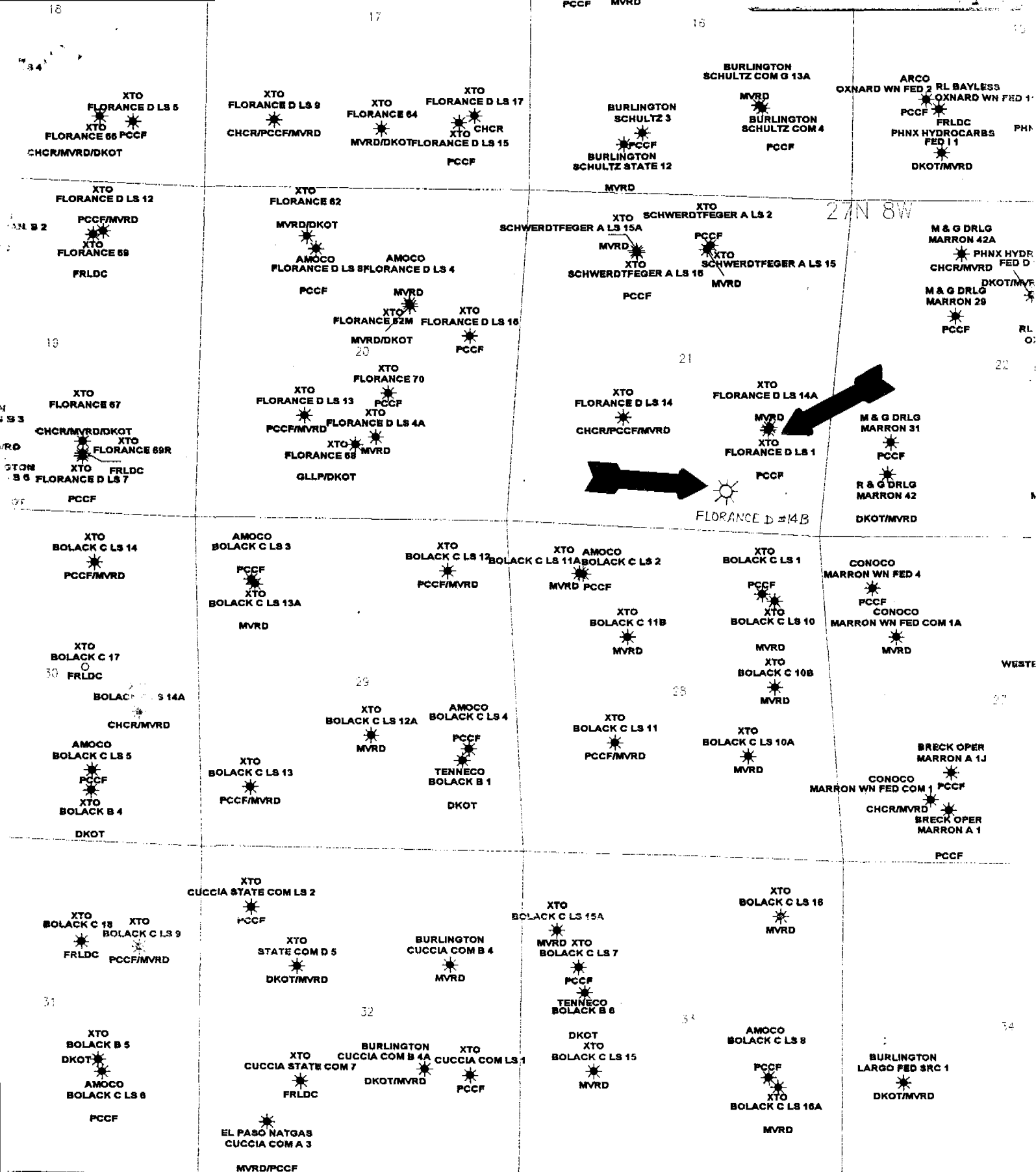
### **Well Information**

	Florance D LS #1	Florance D LS #14A	Florance D #14B
Location	Sec 21I, T27N, R8W	Sec 21I, T27N, R8W	Sec 21O, T27N, R8W
Formation	Pictured Cliffs	Mesaverde	Mesaverde
API #	30-045-06342	30-045-29246	30-045-30819
Pool Name	South Blanco	Blanco	Blanco
Pool Code	72439	72319	72319
Gas Gravity	.672	.793	Est .79
Gas Rate (MCFD)	34	128	Est. 250
Oil Gravity	NA	64	Est. 64
Oil Rate (BPD)	0	0.3	Est 2.0
Water Rate (BPD)	0	0.5	Est. 1.0
WI	100%	100%	100%
NRI	67.5%	67.5%	67.5%

Production volumes are averaged over the past 11 months.

**XTO ENERGY, INC**  
**PROPOSED COMMINGLING SCHEMATIC**  
**FLORANCE D LS #1, FLORANCE D LS #14A & FLORANCE D #14B**  
**SE/4 SEC. 21, T27N, R08W**  
**Fed Lease #: NMNM - 03380**





DATE IN	SUSPENSE	EMERGENCY	LOGGED IN	TYPE	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.

Darrin Steed

Operations Engineer

3/25/02

Print or Type Name

Signature

Title

Date

Darrin.Steed@xtocenergy.com  
 e-mail Address