



SUSPENSE 8/8/05	ENGINEER <i>[Signature]</i>	LOGGED IN MS on 7/27/05	TYPE NSL	APP NO. 1ME30-520858135
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NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

Case 13546

ABOVE THIS LINE FOR DIVISION USE ONLY

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

XTO's
Florance D 18

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

Oil Conservation Division
 1220 S. St. Francis Drive
 Santa Fe, NM 87505

JUL 18 2005

RECEIVED

[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

BRIAN WOOD
(505) 466-8120
FAX 466-9682

[Signature: Brian Wood]

CONSULTANT

7-15-05

e-mail Address

brian@permitswest.com

Case 13546

REQUEST FOR ADMINISTRATIVE APPROVAL FOR NONSTANDARD LOCATION FOR
 XTO ENERGY INC.
 FLORANCE D 18
 595' FSL & 520' FEL SEC. 20, T. 27 N., R. 8 W., SAN JUAN COUNTY, NM

I. The well is on BLM surface and on BLM oil and gas lease (NMNM-0003380). The proposed location is nonstandard for the Blanco Pictured Cliffs South and Blanco Mesa Verde due to topography. A standard location must be at least 660' from the quarter line. This well is staked 65' further south and 140' further east than is standard. (Closest standard location would be 660' FSL and 660' FEL.) The APD cover sheet is attached as EXHIBIT A.

II. A C-102 showing the well location and pro ration units (SE4 Sec. 20 for Pictured Cliffs and E2 Sec. 20 for Mesa Verde) is attached (EXHIBIT B). The BLM oil and gas lease (2,400.96 acres) boundary is marked as a solid line on the attached (EXHIBIT C) copy of the Fresno Canyon USGS topo map.

The well encroaches on the SW4 Section 21, NW4 Section 28, and NE4 Section 29. Closest wells (all XTO operated) in those 3 quarter sections are:

<u>Quarter Section</u>	<u>Well</u>	<u>Zone(s)</u>	<u>Distance</u>
SW4 Section 21	Florance D LS 14	PC & MV	2,547'
NW4 Section 28	Bolack C LS 11-A	MV	2,146'
NE4 Section 29	Bolack C LS 12	PC & MV	1,491'

Pictured Cliffs acreage dedications (quarter sections) and Mesa Verde dedications (half sections) are shown on Exhibit D.

III. According to NM Oil Conservation Division records, the closest existing or planned Pictured Cliffs or Mesa Verde well is XTO's Bolack C LS 12, an existing Pictured Cliffs and Mesa Verde well which is 1,491' south at 820' FNL & 990' FEL 29-27n-8w. EXHIBIT D shows the proposed NSL well site, Pictured Cliffs and Mesa Verde dedicated spacing units, and Pictured Cliffs and Mesa Verde wells (circled on map) within those dedications.

Registered letters were sent on July 15, 2005 to all of the offset interest owners. Copies of the postal receipts and letters are attached.

IV. A copy of the USGS map is attached (EXHIBIT E). The proposed well site is marked. Pro ration unit (dashed line) for the Blanco Pictured Cliffs South gas is the 160.00 acre southeast quarter of Section 20, Township 27 North, Range 8 West, San Juan County, NM. Pro ration unit (solid line) for the Blanco Mesa Verde gas is the 320.00 acre east half of Section 20, Township 27 North, Range 8 West, San Juan County, NM.

V. The nonstandard location is due to topography. The well was initially staked at 660' FSL & 660' FEL, a standard location. However, that location was rejected by BLM due to its location below a pour off. A rain storm would have created a water fall onto the pad and into the reserve pit. The well was then moved 154' southeast to 595' FSL & 520' FEL. This is not only away from the pour off, but it also reduced the height of the cuts. The standard location had an average cut of 17'. The non standard location has an average cut of 10'. Copies of the cut and fill diagrams are in EXHIBIT F.

VI. Archaeology is not an issue.

VII. See item V. above and attached map (EXHIBIT F) for a description of the surface conditions.

VIII. Directional drilling is not feasible because it is not cost effective.

IX. I hereby certify notice (see attached EXHIBIT G) has been sent to the following lessees, lessors, operators of existing spacing units, or owners of undrilled leases which adjoin the applicant's spacing unit on one or more of the two sides or the single closest corner to the proposed well and that the information is current and correct.

BLM
BP America Production Co.
Burlington Resources Oil and Gas Company
ConocoPhillips Co.
Rio Arriba Investment LLC Co.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

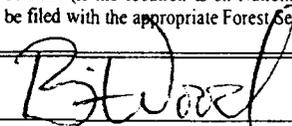
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM-0 003380
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator XTO ENERGY INC		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 2700 FARMINGTON AVE., BLDG. K-1 FARMINGTON, NM 87401	3b. Phone No. (include area code) (505) 324-1090	8. Lease Name and Well No. FLORAANCD 18
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 595 FSL & 520 FEL At proposed prod. zone SAME		9. API Well No. 30-045-
10. Field and Pool, or Exploratory BLANCO PC S., BLANCO MV		11. Sec., T. R. M. or Blk. and Survey or Area 20-27N-8W NMPM
14. Distance in miles and direction from nearest town or post office* 13 AIR MILES SOUTHEAST OF BLANCO		12. County or Parish SAN JUAN
		13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 595'	16. No. of acres in lease 2,400.96	17. Spacing Unit dedicated to this well PICTURE CLIFF: SE4 & MESA VERDE: E2
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,816' (Flor. D LS 4A)	19. Proposed Depth 5,200'	20. BLM/BIA Bond No. on file BLM NATIONWIDE 57 91 73
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,257' GL	22. Approximate date work will start* 12/01/2004	23. Estimated duration 6 WEEKS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) BRIAN WOOD	Date 10/29/2004
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Title CONSULTANT	PHONE: (505) 466-8120	FAX: (505) 466-9682
---------------------	-----------------------	---------------------

Approved by (Signature)	Name (Printed/Typed)	Date
-------------------------	----------------------	------

Title	Office
-------	--------

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

EXHIBIT A

DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., 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 87505

Form C-102
Revised June 10, 2003

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 72439 & 72319	³ Pool Name BLANCO PC SOUTH & BLANCO MESA VERDE
⁴ Property Code	⁵ Property Name FLORANCE D	⁶ Well Number 18
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6257

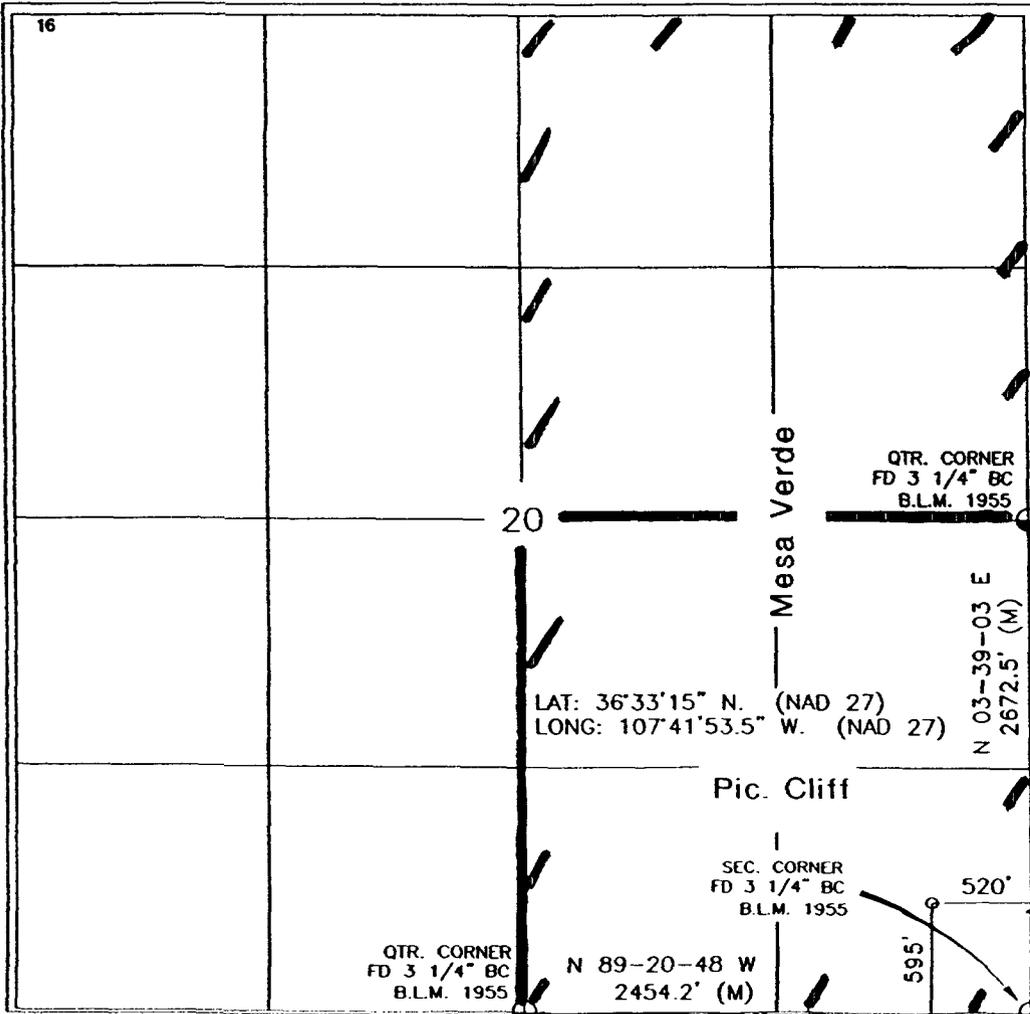
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	20	27-N	8-W		595	SOUTH	520	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 160 & 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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Brian Wood
Signature
BRIAN WOOD
Printed Name
CONSULTANT
Title
OCT. 29, 2004
Date

¹⁸ 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

JOHN A. VUKOVICH
NEW MEXICO
Professional No. 14831
REGISTERED PROFESSIONAL SURVEYOR
Date of Survey
Signature
14831
Certificate Number

EXHIBIT B

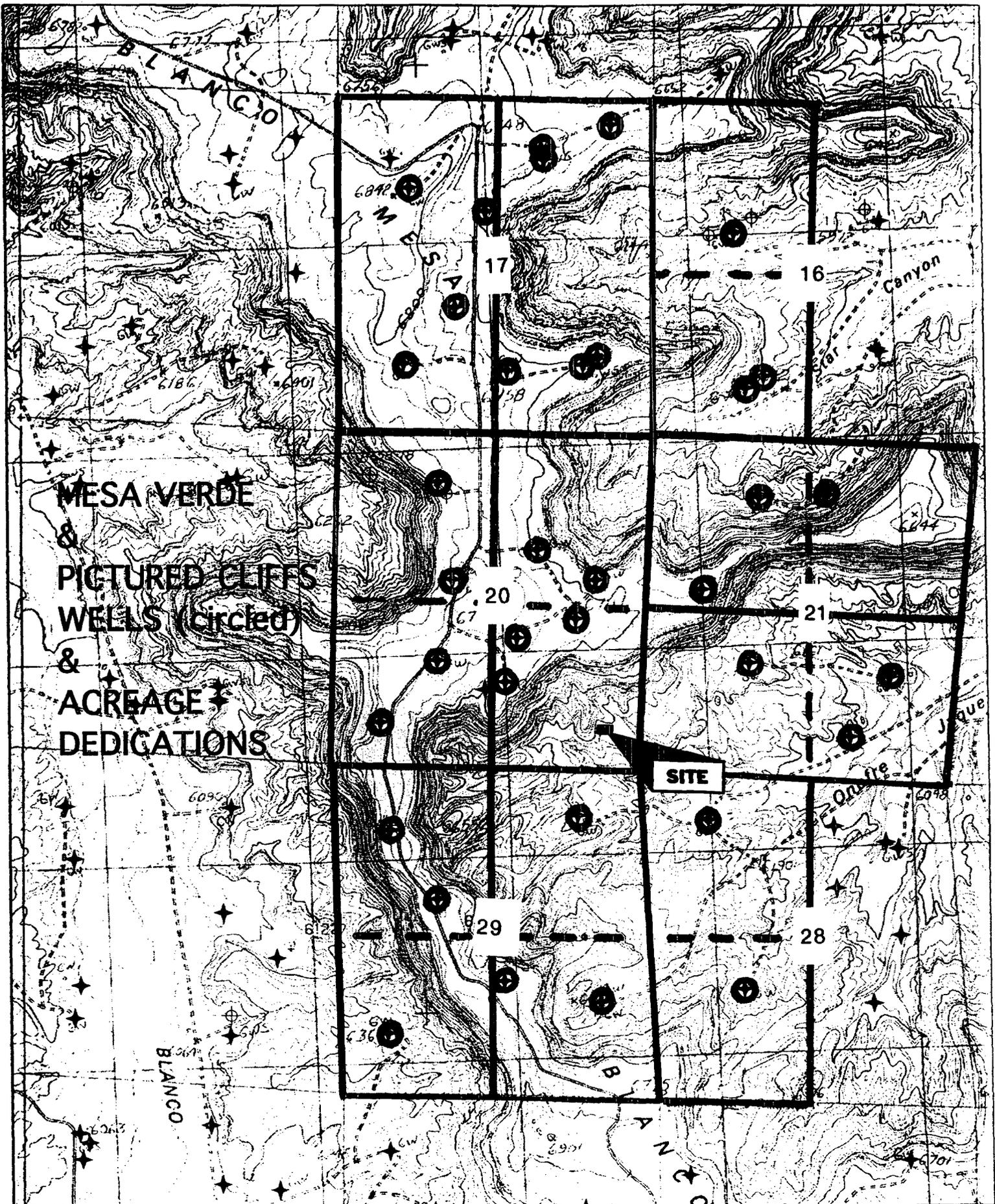
LEASE MAP



Name: FRESNO CANYON
Date: 9/9/2004
Scale: 1 inch equals 2000 feet

Location: 036.5594537° N 107.7047575° W
Caption: 20, 27N-8W

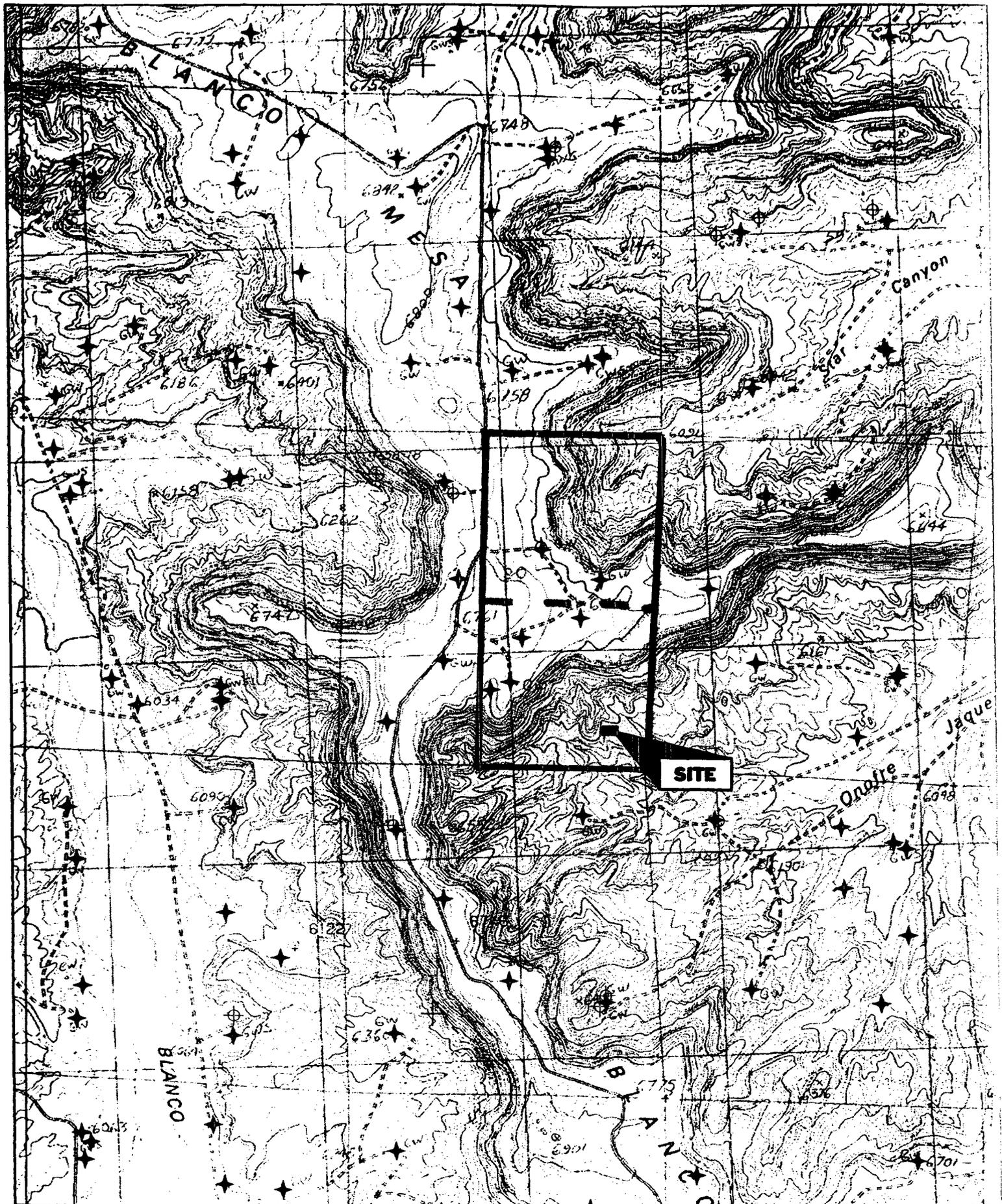
EXHIBIT C



Name: FRESNO CANYON
 Date: 9/9/2004
 Scale: 1 inch equals 2000 feet

Location: 036.5594537° N 107.7047575° W
 Caption: 20, 27N-8W

EXHIBIT D



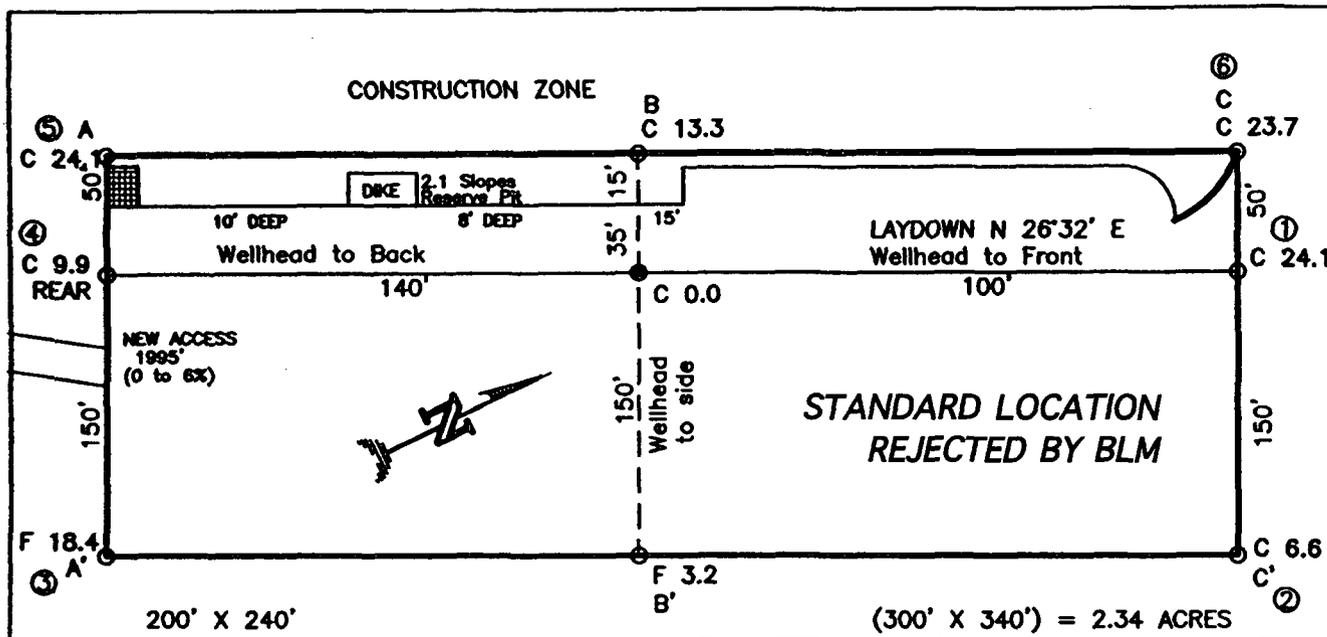
Name: FRESNO CANYON
Date: 9/9/2004
Scale: 1 inch equals 2000 feet

Location: 036.5594537° N 107.7047575° W
Caption: 20, 27N-8W

EXHIBIT E

XTO ENERGY INC.
 FLORANCE D #18, 660' FSL 660' FEL
 SECTION 20, T27N, R8W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6260', DATE: JANUARY 12, 2004

LAT. = 36°33'16" N.
 LONG. = 107°41'55" W
 NAD 27

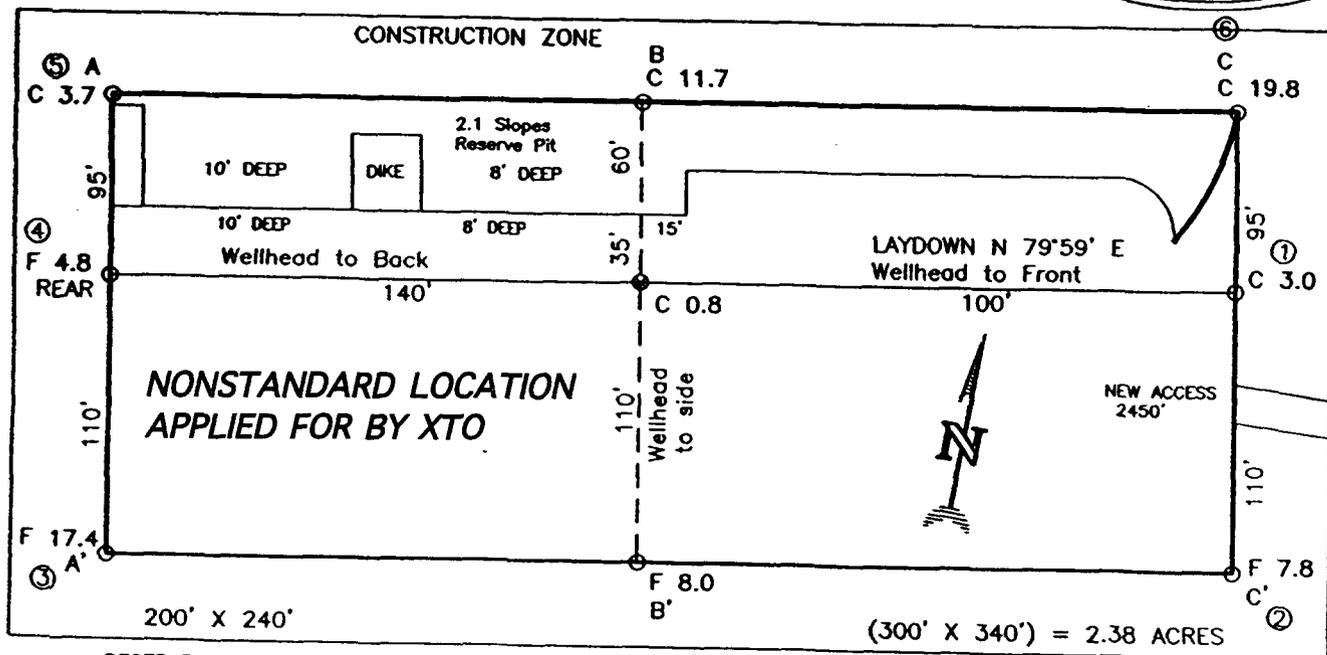


NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

EXHIBIT F

XTO ENERGY INC.
 FLORANCE D #18, 595' FSL 520' FEL
 SECTION 20, T27N, R8W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6257', DATE: JUNE 22, 2004

LAT. = 36°33'15" N.
 LONG. = 107°41'53.5" W
 NAD 27



NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

EXHIBIT F

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

July 15, 2005

BP America Production Co.
 P. O. Box 3092
 Houston, TX 77253-3092

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

XTO Energy Inc. is applying to drill its Florance D 18 gas well. The minimum state distance for such a gas well is 660' from a quarter section line. The proposed well is 65' further south and is 140' further east than is standard. Thus, it is a nonstandard location. The NSL is due to topography.

Well Name: Florance D 18 Total Depth: 5,200'
Proposed NSL Zones: Blanco Pictured Cliffs South & Blanco Mesa Verde
NSL Acreage Dedication: 160 acres (= SE4) and 320 acres (= E2)
Location: 595' FSL & 520' FEL Sec. 20, T. 27 N., R. 8 W.,
 San Juan County, NM on Federal lease NMNM-0 003380
Approximate Location: ≈13 air miles southeast of Blanco, NM
Applicant Name: XTO Energy Inc. (505) 324-1090
Applicant's Address: 2700 Farmington Blvd, Bldg. K-1, Farmington, NM 87401

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

 Brian Wood

U.S. Postal Service™	
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For delivery information visit our website at www.usps.com	
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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.42
Sent To BP	
Street, Apt. No., or PO Box No. PO Box 3092	
City, State, ZIP+4 Houston TX 77253-3092	

Postmark
JUL 15 2005
 SANTA FE NM 87508
 56578

EXHIBIT G

7004 1160 0002 4910 6127

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

July 15, 2005

Burlington Resources Oil and Gas Company
 P. O. Box 4289
 Farmington, NM 87499

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

XTO Energy Inc. is applying to drill its Florance D 18 gas well. The minimum state distance for such a gas well is 660' from a quarter section line. The proposed well is 65' further south and is 140' further east than is standard. Thus, it is a nonstandard location. The NSL is due to topography.

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Please call me if you have any questions.

Sincerely,

 Brian Wood

EXHIBIT G

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Postage	\$ 37
Certified Fee	230
Return Receipt Fee (Endorsement Required)	175
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 442

Sent To: Burlington
 Street, Apt. No.; or PO Box No. PO Box 4289
 City, State, ZIP+4 Farmington NM 87499

PS Form 3800, June 2002



0164 2000 4910 6310

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

July 15, 2005

ConocoPhillips Co.
 P. O. Box 7500
 Bartlesville, OK 74005

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

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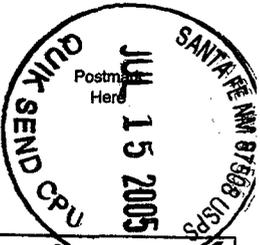
estions.

Sincerely,

 Brian Wood

EXHIBIT G

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
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For delivery information visit our website at www.usps.com	
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Postage	\$.37
Certified Fee	230
Return Receipt Fee (Endorsement Required)	175
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 442



Sent To	ConocoPhillips
Street, Apt. No., or PO Box No.	PO Box 7500
City, State, ZIP+4	Bartlesville OK 74005

PS Form 3800, June 2002 See Reverse for Instructions

E0T9 0T44 7000 N9PT 4007

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

July 15, 2005

Rio Arriba Investment LLC Co.
 82 East Devonshire St.
 Boston, MA 02109

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Sincerely,

Brian Wood
 Brian Wood

EXHIBIT G

7004 1160 0007 4910 6134

U.S. Postal Service™	
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OFFICIAL USE	
Postage	\$ 37
Certified Fee	230
Return Receipt Fee (Endorsement Required)	175
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 442

Sent To: Rio Arriba Investment
 Street, Apt. No., or PO Box No.: 82 E. Devonshire St.
 City, State, ZIP+4: Boston MA 02109

PS Form 3800, June 2002 See Reverse for Instructions