



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

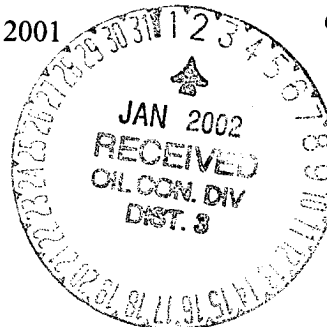
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

December 26, 2001



30-045-31128

XTO Energy, Inc.
810 Houston Street
Fort Worth, Texas 76102-6298

Attention: George A. Cox

Re: Administrative application of XTO Energy, Inc. (administrative application No. pKRV0-133938089) for an exception to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987, as amended, by Division Orders No. R-10987-B and R-10987-B (1), to drill its Dawson "A" Well No. 1-B as a third Dakota gas well at an unorthodox location 1500 feet from the South line and 475 feet from the West line (Unit L) of Section 4, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico, within an existing 321.33-acre stand-up gas spacing and proration unit ("GPU") comprising Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 4.

Dear Mr. Cox:

The rules currently governing the Basin-Dakota Pool allow for only two wells within a standard 320-acre, more or less, gas spacing and proration unit. Furthermore, these pool rules restrict the number of wells within a single quarter section to only one. Within the subject 321.33-acre GPU XTO Energy, Inc. is currently producing both the: (i) Dawson "A" Well No. 1 (API No. 30-045-20050) as the initial well at a standard gas well location 790 feet from the South line and 1450 feet from the West line (Unit N) of Section 4; and (ii) Dawson "A" Well No. 1-M (API No. 30-045-24096) as an infill well at a standard gas well location 890 feet from the North line and 1060 feet from the West line (Lot 4/Unit D) of Section 4. Not only would the proposed Dawson "A" Well No. 1-B be a third well within this unit, it would also occupy the same quarter section (SW/4 of Section 4) as the existing infill well.

This application is hereby **denied** and is being returned to you at this time.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: ~~New Mexico Oil Conservation Division - Aztec~~
U. S. Bureau of Land Management - Farmington
Kathy Valdes, NMOCD - Santa Fe

12/3/01	12/23/01	ENGINEER MS	LOGGED IN MN	TYPE NSL	APP NO. 133938089
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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.

George A. Cox
 Print or Type Name

George A. Cox
 Signature

L. ANDY AND
 Title

11-28-01
 Date

GEORGE-COX@XTOENERGY.COM
 e-mail Address



November 28, 2001

CERTIFIED MAIL:

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
1220 S. Saint Francis Dr.
Santa Fe, New Mexico 87504

RE: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Dawson "A" #1B Well
1,500' FSL and 475' FWL (NW/4 SW/4)
Unit L, Section 4, T27N-R8W
San Juan County, New Mexico
Blanco Mesaverde Gas Pool and Basin Dakota Gas Pool

Dear Mr. Stogner:

XTO Energy Inc. hereby requests administrative approval for an unorthodox location for the above referenced well. Attached for your reference are the following exhibits:

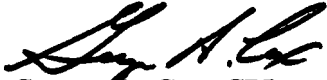
1. Well location plat (NMOCD Form C-102)
2. List of Offset Owners
3. Ownership map
4. Topographic map
5. Production map

The rules state that the well should not be closer than 660 feet to the South and North lines nor closer than 660 feet to the East and West lines of a Gas Proration Unit and not closer than 10 feet to any interior quarter or quarter-quarter section line. Due to the existing topography, XTO is not able to place the well any further East for a location that will conform to current footage requirements. The drilling of this additional well would increase production and the protection of correlative rights. It is understood that the Basin Dakota Gas Pool would not be able to be produced until one of the other producing Dakota wells in this W/2 Unit has been shut in or plugged from lack of production.

By certified mail, a copy of this application and request for administrative approval has been sent to all of the Blanco Mesaverde Gas Pool and Basin Dakota Gas Pool working interest owners and offset operators listed on the attached list. XTO would like to request your Administration Approval for the unorthodox location based on the

above information. Should you need any additional information please feel free to contact me at (817) 885-2454.

Sincerely,
XTO ENERGY INC.

A handwritten signature in black ink, appearing to read "George A. Cox", written over the printed name.

George A. Cox, CPL
Landman

Enclosures

cc: Gary Markestad
Jeff Patton
Robin Tracy

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
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	³ Pool Name
⁴ Property Code	⁵ Property Name DAWSON A	⁶ Well Number 1B
⁷ OGRID No.	⁸ Operator Name XTO ENERGY INC	⁹ Elevation 6472'

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
L	4	27-N	8-W		1500	SOUTH	475	WEST	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					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

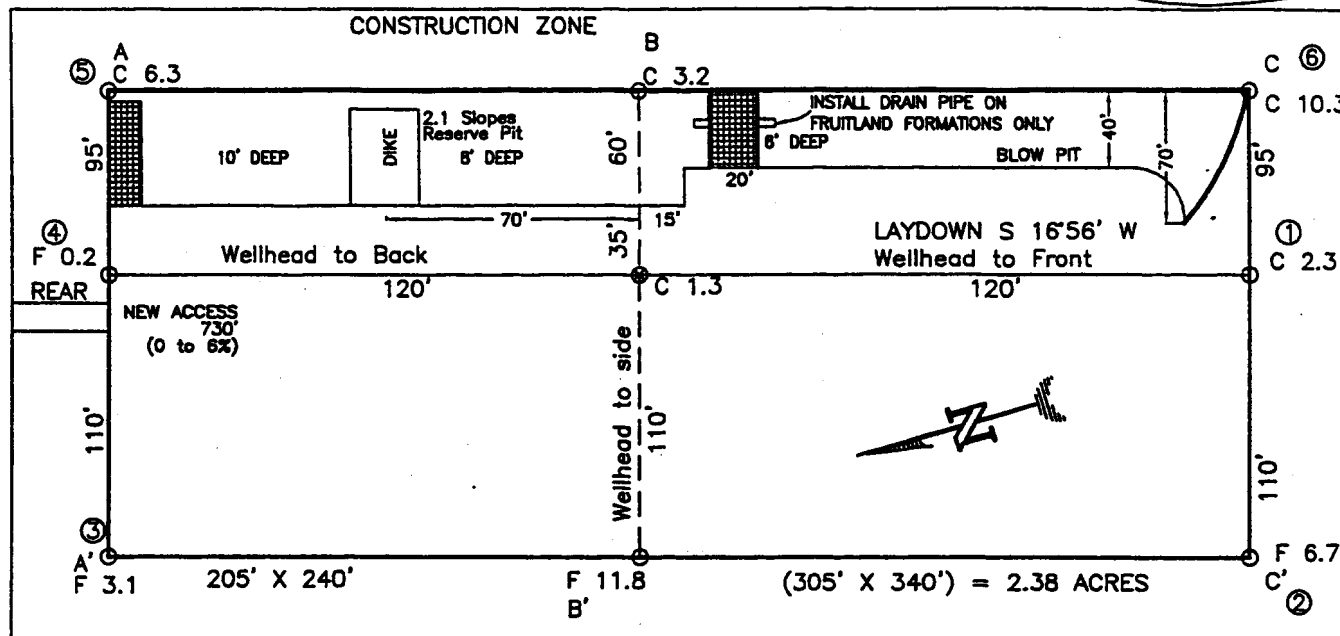
16

SEC. CORNER FD GLO BC 1816	LOT 4	LOT 3	LOT 2	LOT 1	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature _____ Printed Name _____ Title _____ Date _____
N 01-41-51 E 5366.0'					
1167'					
475'					
828'					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 10-9-0 Date of Survey Signature and Seal of Professional Land Surveyor 8894 Certificate Number
1500'					
SEC. CORNER FD 3 1/4" BC BLM 1955					
S 89-05-18 E 5212.0'					

SEC. CORNER
FD 3 1/4" BC
BLM 1955

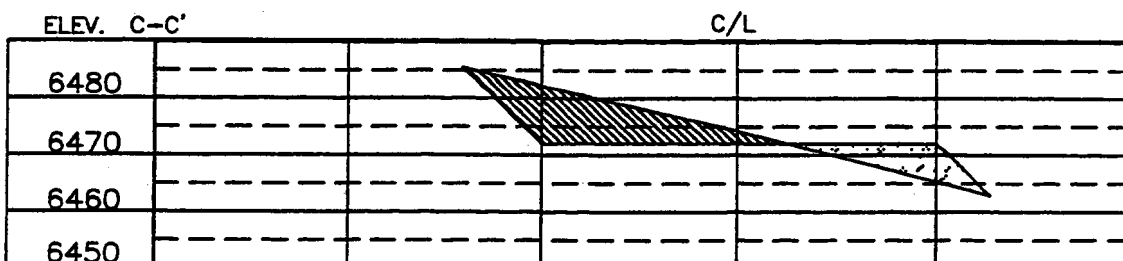
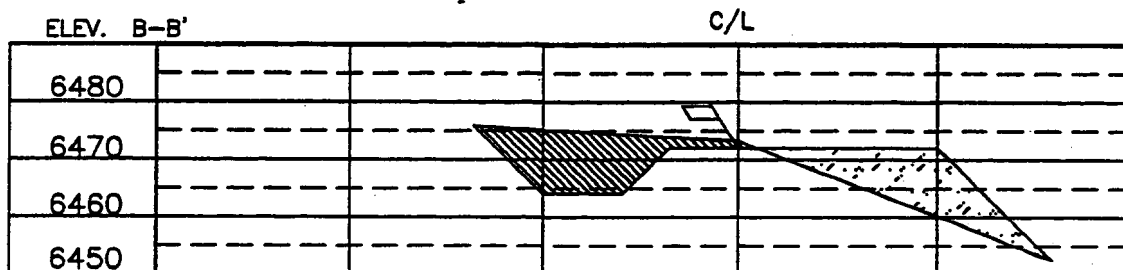
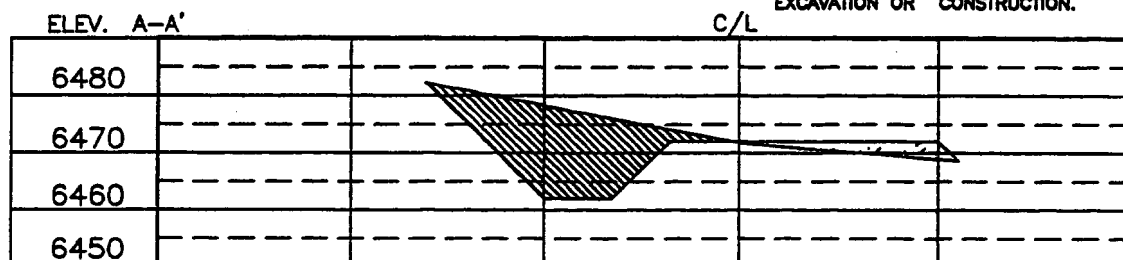
XTO ENERGY INC.
 DAWSON A No. 1B, 1500 FSL 475 FWL
 SECTION 4, T27N, R8W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6472, DATE: OCTOBER 9, 2001

LAT. = 36°36'02" N
 LONG. = 107°41'37" W



RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
 BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

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.



NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

DRAWN BY: A.G. ROW#: CRO63 CADFILE: CRO63CFB DATE: 11/15/01

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15068 Farmington, NM 87401
 Phone (505) 326-1772 Fax (505) 326-6019

OFFSET OPERATORS AND OWNERS NOTIFICATION LIST
DAWSON "A" #1B WELL

Burlington Resources Oil & Gas
P.O. Box 4289
Farmington, NM 87499-4289
Attention: Dawn Howell

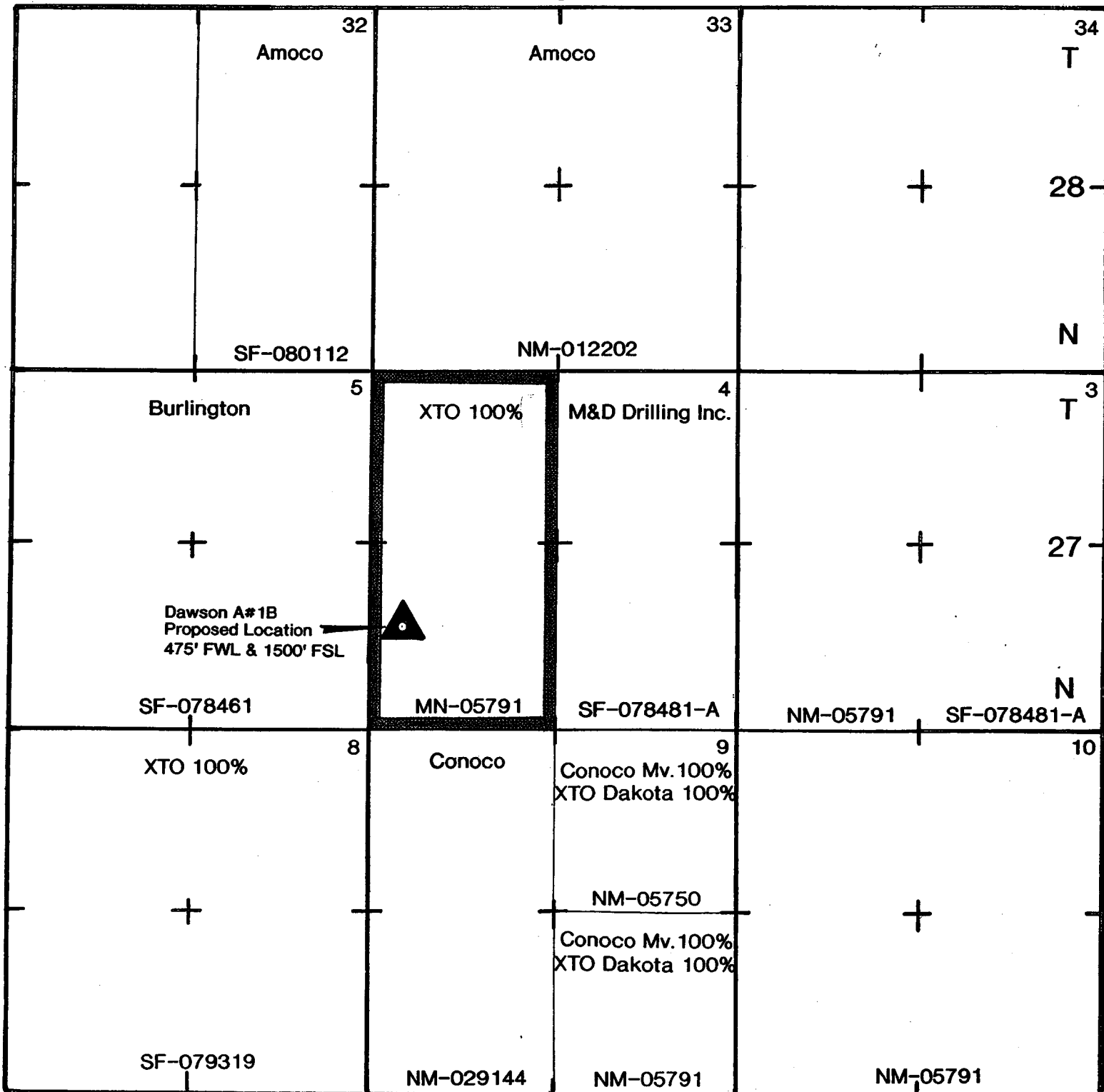


SECTION PLAT OF 9 SQUARE MILES

STATE: NEW MEXICO COUNTY: SAN JUAN
PROSPECT: Mesaverde - Dakota Formations DATE: 11/27/2001
SECTIONS: 4 BLOCK: _____ SURVEY: _____
ACRES NET: _____ ACRES GROSS: _____ TOWNSHIP: 27 North RANGE: 8 West

SCALE: 1"=2000'

R-8-W

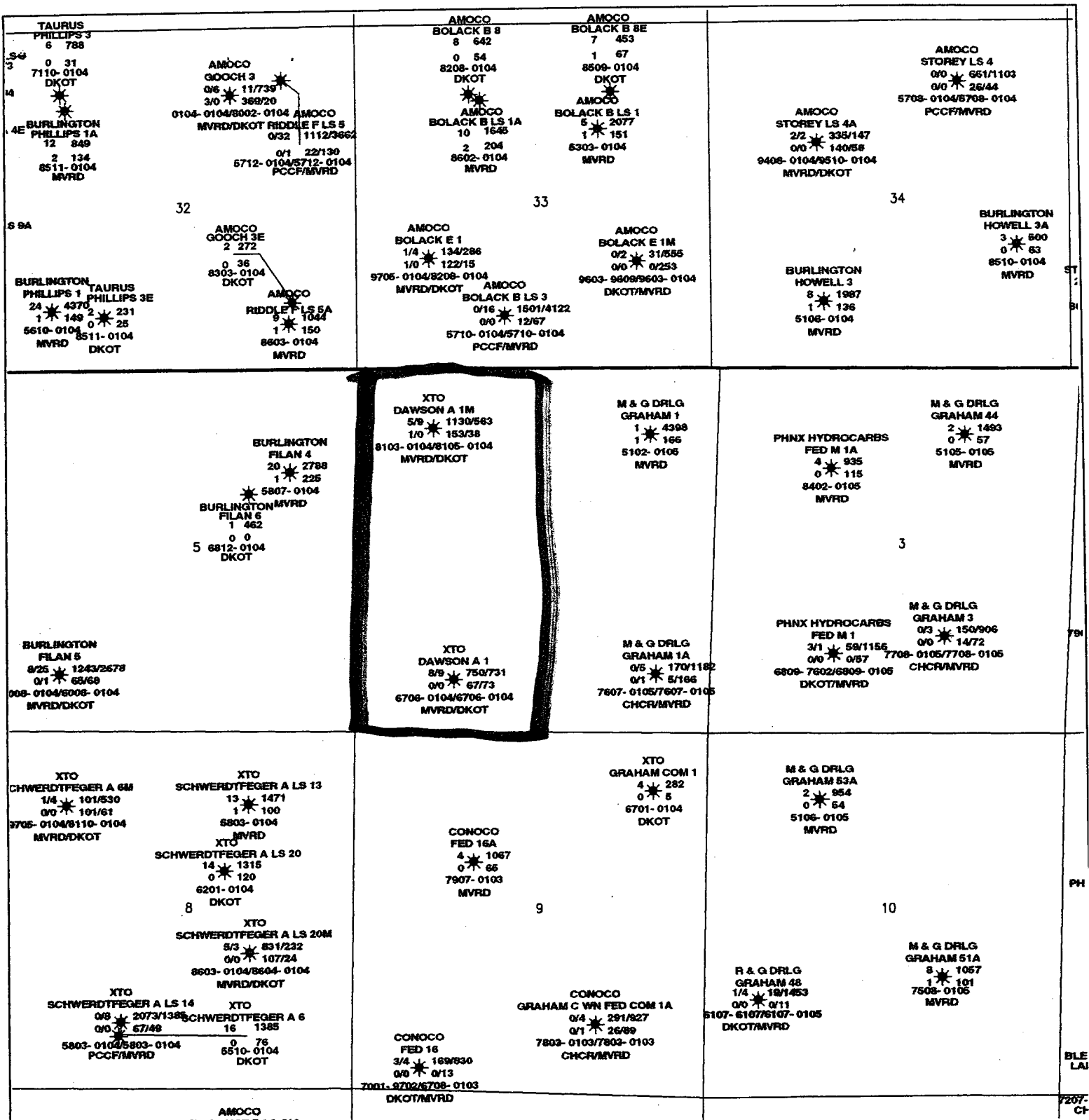


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SW/4 SEC. 4, T-27-N, R-8-W, N.M.P.M.,
 SAN JUAN COUNTY, NEW MEXICO
 1500 FSL 475 FWL

The map is a topographic representation of a section of land in San Juan County, New Mexico. It features a grid system and contour lines indicating elevation. Key features include:

- NEW ACCESS:** A point marked with a star and labeled "NEW ACCESS".
- WELL FLAG:** A point marked with a star and labeled "WELL FLAG".
- CANYON:** A dashed line labeled "CANYON" running horizontally across the middle of the map.
- LARGO:** A dashed line labeled "LARGO" running vertically on the right side of the map.
- Contour Lines:** Numerous contour lines with numerical values (e.g., 5830, 5863, 5801, 5839, 5820, 5877, 5892, 5808, 5813, 5825, 5835, 5845, 5855, 5865, 5875, 5885, 5895, 5905, 5915, 5925, 5935, 5945, 5955, 5965, 5975, 5985, 5995, 6005, 6015, 6025, 6035, 6045, 6055, 6065, 6075, 6085, 6095, 6105, 6115, 6125, 6135, 6145, 6155, 6165, 6175, 6185, 6195, 6205, 6215, 6225, 6235, 6245, 6255, 6265, 6275, 6285, 6295, 6305, 6315, 6325, 6335, 6345, 6355, 6365, 6375, 6385, 6395, 6405, 6415, 6425, 6435, 6445, 6455, 6465, 6475, 6485, 6495, 6505, 6515, 6525, 6535, 6545, 6555, 6565, 6575, 6585, 6595, 6605, 6615, 6625, 6635, 6645, 6655, 6665, 6675, 6685, 6695, 6705, 6715, 6725, 6735, 6745, 6755, 6765, 6775, 6785, 6795, 6805, 6815, 6825, 6835, 6845, 6855, 6865, 6875, 6885, 6895, 6905, 6915, 6925, 6935, 6945, 6955, 6965, 6975, 6985, 6995, 7005, 7015, 7025, 7035, 7045, 7055, 7065, 7075, 7085, 7095, 7105, 7115, 7125, 7135, 7145, 7155, 7165, 7175, 7185, 7195, 7205, 7215, 7225, 7235, 7245, 7255, 7265, 7275, 7285, 7295, 7305, 7315, 7325, 7335, 7345, 7355, 7365, 7375, 7385, 7395, 7405, 7415, 7425, 7435, 7445, 7455, 7465, 7475, 7485, 7495, 7505, 7515, 7525, 7535, 7545, 7555, 7565, 7575, 7585, 7595, 7605, 7615, 7625, 7635, 7645, 7655, 7665, 7675, 7685, 7695, 7705, 7715, 7725, 7735, 7745, 7755, 7765, 7775, 7785, 7795, 7805, 7815, 7825, 7835, 7845, 7855, 7865, 7875, 7885, 7895, 7905, 7915, 7925, 7935, 7945, 7955, 7965, 7975, 7985, 7995, 8005, 8015, 8025, 8035, 8045, 8055, 8065, 8075, 8085, 8095, 8105, 8115, 8125, 8135, 8145, 8155, 8165, 8175, 8185, 8195, 8205, 8215, 8225, 8235, 8245, 8255, 8265, 8275, 8285, 8295, 8305, 8315, 8325, 8335, 8345, 8355, 8365, 8375, 8385, 8395, 8405, 8415, 8425, 8435, 8445, 8455, 8465, 8475, 8485, 8495, 8505, 8515, 8525, 8535, 8545, 8555, 8565, 8575, 8585, 8595, 8605, 8615, 8625, 8635, 8645, 8655, 8665, 8675, 8685, 8695, 8705, 8715, 8725, 8735, 8745, 8755, 8765, 8775, 8785, 8795, 8805, 8815, 8825, 8835, 8845, 8855, 8865, 8875, 8885, 8895, 8905, 8915, 8925, 8935, 8945, 8955, 8965, 8975, 8985, 8995, 9005, 9015, 9025, 9035, 9045, 9055, 9065, 9075, 9085, 9095, 9105, 9115, 9125, 9135, 9145, 9155, 9165, 9175, 9185, 9195, 9205, 9215, 9225, 9235, 9245, 9255, 9265, 9275, 9285, 9295, 9305, 9315, 9325, 9335, 9345, 9355, 9365, 9375, 9385, 9395, 9405, 9415, 9425, 9435, 9445, 9455, 9465, 9475, 9485, 9495, 9505, 9515, 9525, 9535, 9545, 9555, 9565, 9575, 9585, 9595, 9605, 9615, 9625, 9635, 9645, 9655, 9665, 9675, 9685, 9695, 9705, 9715, 9725, 9735, 9745, 9755, 9765, 9775, 9785, 9795, 9805, 9815, 9825, 9835, 9845, 9855, 9865, 9875, 9885, 9895, 9905, 9915, 9925, 9935, 9945, 9955, 9965, 9975, 9985, 9995, 10005, 10015, 10025, 10035, 10045, 10055, 10065, 10075, 10085, 10095, 10105, 10115, 10125, 10135, 10145, 10155, 10165, 10175, 10185, 10195, 10205, 10215, 10225, 10235, 10245, 10255, 10265, 10275, 10285, 10295, 10305, 10315, 10325, 10335, 10345, 10355, 10365, 10375, 10385, 10395, 10405, 10415, 10425, 10435, 10445, 10455, 10465, 10475, 10485, 10495, 10505, 10515, 10525, 10535, 10545, 10555, 10565, 10575, 10585, 10595, 10605, 10615, 10625, 10635, 10645, 10655, 10665, 10675, 10685, 10695, 10705, 10715, 10725, 10735, 10745, 10755, 10765, 10775, 10785, 10795, 10805, 10815, 10825, 10835, 10845, 10855, 10865, 10875, 10885, 10895, 10905, 10915, 10925, 10935, 10945, 10955, 10965, 10975, 10985, 10995, 11005, 11015, 11025, 11035, 11045, 11055, 11065, 11075, 11085, 11095, 11105, 11115, 11125, 11135, 11145, 11155, 11165, 11175, 11185, 11195, 11205, 11215, 11225, 11235, 11245, 11255, 11265, 11275, 11285, 11295, 11305, 11315, 11325, 11335, 11345, 11355, 11365, 11375, 11385, 11395, 11405, 11415, 11425, 11435, 11445, 11455, 11465, 11475, 11485, 11495, 11505, 11515, 11525, 11535, 11545, 11555, 11565, 11575, 11585, 11595, 11605, 11615, 11625, 11635, 11645, 11655, 11665, 11675, 11685, 11695, 11705, 11715, 11725, 11735



WELLS W/PRODUCTION

Operator
Well Name & Number
Cum Oil MBO Cum Gas MMCF
Curr Rate Bopd Curr Rate Mcfd
Start-End Date
Formation

DAKOTA MESA VERDE

XTO Energy Inc.

SAN JUAN COUNTY, NEW MEXICO
9 SECTION - 4-27N-8W
DKOT & MVRD ACTIVE PRODUCERS

Johnny LeBon	R. Tracy	11/28/2001
Scale 1:24000	1" = 2000'	4-27-8



November 28, 2001

CERTIFIED MAIL:


Burlington Resources Oil & Gas
P.O. Box 4289
Farmington, NM 87499-4289
Attention: Dawn Howell

RE: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Dawson "A" #1B Well
1,500' FSL and 475' FWL (NE/4 SW/4)
Unit L, Section 4, T27N-R8W
San Juan County, New Mexico
Blanco Mesaverde Gas Pool and Basin Dakota Gas Pool

Gentlemen:

Enclosed please find a copy of the above captioned application that has been sent to the NMOCD for administrative approval. Should you not agree with the request, please notify the NMOCD within 20 days of the date of this application. Should you have any questions, concerning the operations, please feel free to contact me at (817) 885-2454.

Sincerely,
XTO ENERGY INC.



George A. Cox, CPL
Landman

Enclosures

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Burlington Resources Oil & Gas
P. O. Box 4289
Farmington, NM 87499-4289
Attn: Dawn Howell
GAC: █████ Dawson "A"#1B

2. Article Number
(Transfer from service label)

7001 0320 0004 8336 4889

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes