

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

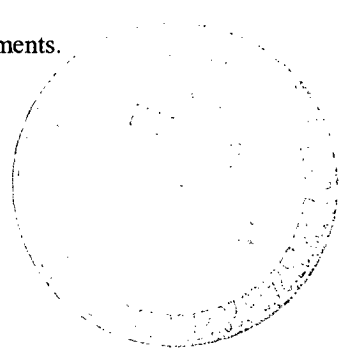
Form C-103
Revised May 08, 2003

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other 2. Name of Operator XTO Energy Inc. 3. Address of Operator 2700 Farmington Ave., Bldg K, Ste. 1 Farmington, NM 87401 4. Well Location Unit Letter <u>B</u> : <u>865</u> feet from the <u>NORTH</u> line and <u>2250</u> feet from the <u>EAST</u> line Section <u>21</u> Township <u>27N</u> Range <u>08W</u> NMPM County <u>SAN JUAN</u> 11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>6300' GR</u>	WELL API NO. 30-045-06403
	5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
	6. State Oil & Gas Lease No. NMSF079319
	7. Lease Name or Unit Agreement Name SCHWERTDFEGER A LS
	8. Well Number 15
	9. OGRID Number 167067
	10. Pool name or Wildcat OTERO CHACRA BLANCO MESAVERDE

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy Inc. proposes to downhole commingle this well per the attached documents.



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

SIGNATURE Darrin Steed TITLE REGULATORY SUPERVISOR DATE 11/14/03
Type or print name DARRIN STEED Telephone No. (505) 324-1090
(This space for State use)
APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 28 DATE NOV 14 2003
Conditions of approval, if any:



November 12, 2003

Mr. Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Rd.
Aztec, New Mexico 87410

RE: Administrative approval to Downhole Commingle
Schwerdtfeger A #15
865' FNL & 2,250' FEL Sec. 21, T 27 N, R 08 W
San Juan County, New Mexico

Dear Mr. Chavez:

XTO Energy Inc. respectfully request approval to downhole commingle production from the Otero Chacra and Blanco Mesaverde pools in the Schwerdtfeger A #15. Attached for your reference are the following exhibits:

1. Sundry Notice (NMOCD From C-103)
2. Production data used for Production Allocation.

The Schwerdtfeger A #15 was drilled and completed by El Paso Natural Gas as a Blanco Mesaverde well in May 1958. The Otero Chacra formation was re completed in August 2003. The well is perforated in the Blanco Mesaverde from 4,712'-4,856' and the Otero Chacra from 3,398'-3,554'.

Based upon the last three months production analysis for the Blanco Mesaverde formation and the Otero Chacra, the following allocation percentages were determined:

Blanco Mesaverde (72319)	Oil 100%	Water 100 %	Gas 20 %
Otero Chacra (82329)	Oil 0%	Water 0 %	Gas 80 %

Both pools have common interest owners. Commingling both zones will not reduce the ultimate recovery of either pool. Downhole commingling will improve recovery of liquids, eliminating redundant surface equipment and maximize compressor efficiency. Notice has been filed with the BLM on Form 3160-5 concerning this matter.