

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. FLORANCE 72	
2. Name of Operator XTO ENERGY INC		9. API Well No. 30-045-31896-00-X1	
3a. Address 2700 FARMINGTON AVE., BLDG K, SUITE 1 FARMINGTON, NM 87401		10. Field and Pool, or Exploratory Multiple--See Attached	
3b. Phone No. (include area code) Ph: 505.324.1090 Ext: 4020 Fx: 505.564.6700		11. County or Parish, and State SAN JUAN COUNTY, NM	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T27N R8W NWNE 775FNL 1555FEL 36.56528 N Lat, 107.71889 W Lon			

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Subsurface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

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

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

DHC 3232

14. I hereby certify that the foregoing is true and correct. Electronic Submission #26617 verified by the BLM Well Information System For XTO ENERGY INC, sent to the Farmington Committed to AFMSS for processing by MATTHEW HALBERT on 01/29/2004 (04MXH0158SE)	
Name (Printed/Typed) HOLLY PERKINS	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 01/07/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Signature]</i>	Title <i>Pet. Eng.</i>	Date <i>2/5/04</i>
Conditions of approval, if any, are attached. Approval of this notice 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.		Office NMOCED

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.

Additional data for EC transaction #26617 that would not fit on the form

10. Field and Pool, continued

OTERO CHACRA

BIANCO MESAVERDE

BASIN DAKOTA.



January 5, 2004

Ms. Lori Wrotenberry
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RE Application for Exception to Rule 303-C Downhole Commingle
Florance #72
Unit B, Sec. 19, T 27 N, R 08 W
San Juan County, New Mexico

Dear Ms. Wrotenberry,

XTO Energy Inc. respectfully request approval to downhole commingle production from Otero Chacra, Blanco Mesaverde and the Basin Dakota pools in the Florance #72. The APD to drill the well has been approved. Upon approval of the downhole commingling application, the well will be completed and the pools commingled. The WI, NRI and ORRI ownership are common between all three pools. Downhole commingling will offer an economic method of production, will improve recovery of liquids, eliminating redundant surface equipment and maximize compressor efficiency.

The allocation percentage's for gas and oil were based upon the surrounding average 9 section EUR's for each pool.

XTO Energy Inc. request your approval to downhole commingle the Otero Chacra, Blanco Mesaverde and the Basin Dakota pools. Should you need any additional information please contact me at (505) 324 1090.

Sincerely,

Loren W. Fothergill
Loren W. Fothergill
Production Engineer

Enclosures

Cc: TWD

LWF

George Cox - FTW Land
Well File

9-Section Allocation
Fiorance 72

Zone	Avg Oil EUR (mbo)	Avg Gas EUR (mmcf)	Oil : Allocation	Gas Allocation
Dakota	10	933	61.30%	40.95%
Mesaverde	6	1,031	38.44%	45.24%
Chacra	0	315	0.27%	13.81%
Total	16	2,278	100.00%	100.00%

CHACRA	EUR's	Location				Oil Cum	Gas Cum	Oil Cum	Gas Cum	Oil EUR	Gas EUR
Well	No	Sec	Unit	Twn	Rng	(bbl)	(mcf)	(mbo)	(mmcf)	(mbo)	(mmcf)
FLORANCE D LS	9	17	M	27	8		183512	0	184	0	552
FLORANCE D	10B	17	A	27	8		7513	0	8	0	61
FLORANCE D LS	17	17	P	27	8	12	189437	0	169	0	169
FLORANCE	63F	17	F	27	8		7274	0	7	0	62
FLORANCE	66	18	O	27	8		42490	0	42	0	79
FLORANCE	66F	18	A	27	8		14472	0	14	0	100
FLORANCE LS	4A	18		27	8	354	215630	0	217	0	291
FLORANCE	67	19	O	27	8		215140	0	215	0	417
NAVAJO INDIAN B	3	19	N	27	8		121546	0	122	0	146
FLORANCE D	13B	20	M	27	8		27037	0	27	0	169
FLORANCE D	4B	20	I	27	8		24813	0	25	0	179
FLORANCE	62F	20	F	27	8		10910	0	11	0	121
BOLACK C LS	12A	29	J	27	8	242	138054	0	138	0	899
BOLACK C	13B	29	F	27	8		22395	0	22	0	233
NAVAJO INDIAN B	5	30		27	8	13	3746	0	4	0	201
NAVAJO INDIAN B	5M	30		27	8	7	2737	0	3	0	106
BOLACK C LS	14A	30	I	27	8	572	388218	1	388	1	653
JOHN CHARLES	6A	13	I	27	9		144818	0	145	0	376
JOHN CHARLES	8	13	B	27	9		556283	0	556	0	722
JOHN CHARLES	7E	13	D	27	9		465906	0	466	0	796
HUERFANITO UNIT	77	24	K	27	9		120540	0	121	0	121
JERNIGAN	3A	24	I	27	9		191707	0	192	0	440
HUERFANITO UNIT	82M	25	D	27	9		158095	0	158	0	345
Total								1	3,233	1	7,238
Average								0	141	0	315

42100001.1
4035 N. Fourth Street, Santa Fe, NM 87505

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Department

Form U-10/A
Revised June 10, 2003

District II

1304 W. Grand Avenue, Santa Fe, NM 87510

District III

1000 E. Fourth Street, Santa Fe, NM 87505

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

☐ Yes ☒ No

APPLICATION FOR DOWNHOLE COMMINGLING**XTO Energy Inc**

2700 Farmington Ave., Bldg K, Ste. 1, Farmington, NM 87401

Operator

Florance

72

Address

Unit B, Sec 19, T27N, R8W

San Juan

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 167067 Property Code _____ API No. 30-045-31896 Lease Type: ☒ Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Ouro Chusca	Blanco Mesaverde	Basin Dakota
Pool Code	82329	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3,186' - 3,773' Perforated	3,773' - 4,887' Perforated	6,653' - 6,959' Perforated
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	Est 300 psig	Est 340 psig	Est 300 psig
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1311	1399	1414
Producing, Shut-In or New Zone	New Zone	New Zone	New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production contracts and supporting data.)	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or regulation will be required.)	Oil Gas Water 0 % 14 % 0 %	Oil Gas Water 39 % 45 % 39 %	Oil Gas Water 61 % 41 % 61 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?

Yes ☒ No _____

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes _____ No _____

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No _____

Will commingling decrease the value of production?

Yes _____ No ☒

If this well is on, or commingled with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No _____

NMOCD Reference Case No. applicable to this well: _____

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

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 January 7, 2004TYPE OR PRINT NAME Darrin Steed TELEPHONE NO. (505) 324-1090E-MAIL ADDRESS Darrin_Steed@XTOEnergy.com

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

*API Number 3004521896	*Pool Code 71599	*Pool Name Basin Dakota
*Property Code	*Property Name FLORANCE	*Well Number 72
*O&G No. 1107067	*Operator Name XTO ENERGY INC.	*Elevation 5095

10 Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from line	North/South line	Feet from line	East/West line	County
B	19	27-N	8-W		775	NORTH	1555	EAST	SAN JUAN

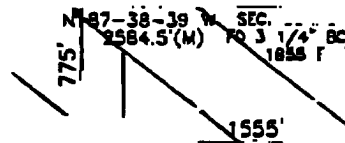
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from line	North/South line	Feet from line	East/West line	County
H	19	27-N	8-W		2125	NORTH	825	EAST	SAN JUAN

*Dedicated Acres 320 E12	*Joint or Infill I	*Consolidation Code	*Order No.
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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



17 OPERATOR CERTIFICATION

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

BOTTOM
HOLE
LOCATION

Signature
Kelly K Small
Printed Name
Drilling Assistant
Title
815103
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 belief.

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

DISTRICT II
P.O. Drawer 80, 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

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30045 31896	² Pool Code 72319	³ Pool Name Blanco Mesasorda
⁴ Property Code	⁵ Property Name FLORANCE	⁶ Well Number 72
⁷ GRID No. 167207	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6095

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
B	19	27-N	8-W		775	NORTH	1555	EAST	SAN JUAN

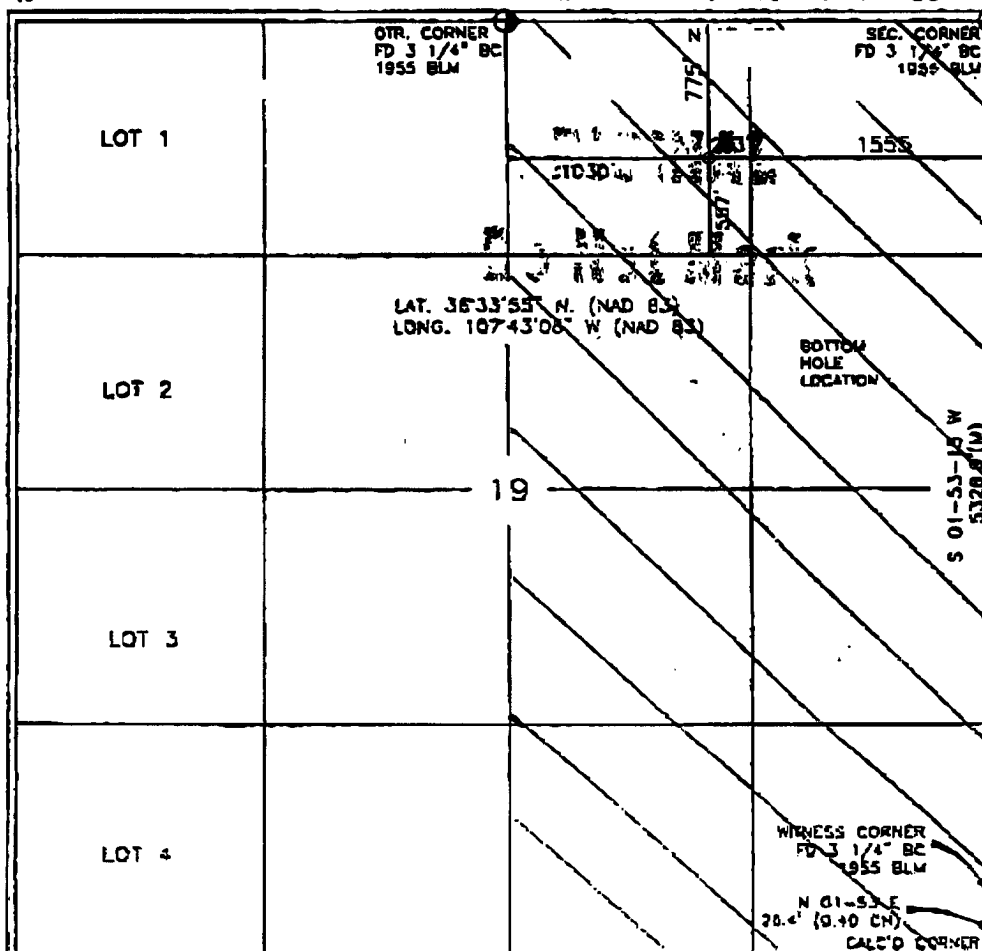
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
H	19	27-N	8-W		2125	NORTH	825	EAST	SAN JUAN

¹² Dedicated Acres 320 E12	¹³ Joint or br/ll I	¹⁴ Consolidation Code	¹⁵ Order No.
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16



17 OPERATOR CERTIFICATION

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

Signature: Heather Small
Printed Name: Heather Small
Title: Drilling Assistant
Date: 2/15/03

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 belief.

Date of Survey: 03
Signature: [Signature]
Title: REGISTERED PROFESSIONAL SURVEYOR
Certificate Number: 14827

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

DISTRICT II
P.O. Drawer D0, 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

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30045 91896	² Pool Code 22329	³ Pool Name OTERO CHAURA
⁴ Property Code	⁵ Property Name FLORANCE	⁶ Well Number 72
⁷ CORD No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6095

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
B	19	27-N	8-W		775	NORTH	1555	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
H	19	27-N	8-W		2125	NORTH	825	EAST	SAN JUAN

¹² Dedicated Acre 160 NE/4	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p> <p>QTR. CORNER FD 3 1/4" BC 1955 BLM</p> <p>SEC. CORNER FD 3 1/4" BC 1955 BLM</p> <p>WITNESS CORNER FD 3 1/4" BC 1955 BLM</p> <p>N 01-53 E 26.4' (0.40 Ch) CALC'D CORNER</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature <u><i>Jeffrey W. Patton</i></u></p> <p>Printed Name <u>JEFFREY W. PATTON</u></p> <p>Title <u>DRILLING ENGINEER</u></p> <p>Date <u>10-31-03</u></p>	
	<p>18 SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>Date of Survey <u>10-31-03</u></p> <p>Signature and Seal of Professional Surveyor <u><i>[Signature]</i></u></p> <p>REGISTERED PROFESSIONAL SURVEYOR NEW MEXICO 14827</p> <p>Certificate Number <u>14827</u></p>	
	<p>LOT 1</p>	
	<p>LOT 2</p> <p>LAT. 36°33'55" N. (NAD 83) LONG. 107°43'08" W. (NAD 83)</p> <p>BOTTOM HOLE LOCATION</p>	
<p>LOT 3</p>		
<p>LOT 4</p>		