



PWVJ0421961159  
DHC-3320  
8/6/04

2700 Farmington Ave, K-1 Farmington, NM 87401  
Phone: (505) 324-1090 FAX: (505) 564-6700

July 30, 2004

RECEIVED

Mr. Will Jones  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

AUG 02 2004

OIL CONSERVATION  
DIVISION

Subject: Application for Downhole Commingle  
Schwerdtfeger A #24  
Unit E Sec 08-T27N- R08W; 30-045-32231  
Basin Dakota/Basin Mancos/Blanco Mesaverde  
NMSF079319; San Juan, NM

Dear Mr. Jones:

Enclosed please find an administrative application form (C107A) and attachments for downhole commingling for the captioned well. All interests are common in all zone's. Commingling of zones will not reduce the recovery of the three pools, will improve recovery of liquids, thus eliminating redundant surface equipment. Waste will not result and correlative rights will not be violated. Notice of our intent has been filed with the BLM on form 3160-5.

Any questions pertaining to this matter, please call me at (505) 324-1090.

Sincerely,

  
Holly C. Perkins  
Regulatory Compliance Tech

xc: Wellfile  
OCD, Aztec Office

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

Form C-103  
 May 27, 2004

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

|  |
|--|
| WELL API NO.<br>30-045-32231   |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.   |
| 7. Lease Name or Unit Agreement Name<br>SCHWERDTFEGER                                    |
| 8. Well Number 24  |
| 9. OGRID Number<br>167067  |
| 10. Pool name or Wildcat<br>BASIN DK/BLANCO MV/BASIN MC                                  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>6196' GL                           |

**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  Gas Well  Other

2. Name of Operator  
XTO ENERGY INC.

3. Address of Operator  
2700 FARMINGTON AVE, SUITE K-1, FARMINGTON, NM 87401

4. Well Location  
 Unit Letter E : 2070 feet from the NORTH line and 1345 feet from the WEST line  
 Section 08 Township 27N Range 08W NMPM SAN JUAN County

Pit or Below-grade Tank Application  or Closure

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

|   |  |  |  |
|---|--|--|--|
| <b>NOTICE OF INTENTION TO:</b><br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> |  | <b>SUBSEQUENT REPORT OF:</b><br>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/> |  |
| OTHER: DOWNHOLE COMMINGLE <input checked="" 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. is requesting an exception to Rule 303A to downhole commingle production from the Basin Dakota pool (71599), the Blanco Mesaverde (72319) and the Wildcat Basin Mancos pool (97232). See attachments for supporting documentation and plats for this well. Ownership is common in all zones. A sundry has been filed with the BLM.

|                           |              |                 |              |
|---------------------------|--------------|-----------------|--------------|
| Proposed Gas Allocation   | Dakota – 39% | Mesaverde – 56% | Mancos – 05% |
| Proposed Oil Allocation   | Dakota – 47% | Mesaverde – 34% | Mancos – 19% |
| Proposed Water Allocation | Dakota – 46% | Mesaverde – 44% | Mancos – 10% |

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 7/30/04

Type or print name HOLLY C. PERKINS E-mail address: holly\_perkins@xtoenergy.com Telephone No. 505-324-1090  
**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of Approval (if any): \_\_\_\_\_

District I  
1625 N. French Drive, Hobbs, NM 88240

District II  
1301 W. Grand Avenue, Artesia, NM 88210

District III  
Well  
1000 Rio Brazos Road, Aztec, NM 87410

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

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

APPLICATION TYPE  
X Single

Establish Pre-Approved Pools  
EXISTING WELLBORE  
X Yes \_\_\_ No

APPLICATION FOR DOWNHOLE COMMINGLING

XTO ENERGY INC. 2700 FARMINGTON AVE, SUITE K-1 FARMINGTON, NM 87401

Operator SCHWERTDFEGER A Address 24 UL E, SEC 08, T27N, R08W SAN JUAN

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 167067 Property Code API No. 30-045-32231 Lease Type: X Federal \_\_\_ State \_\_\_ Fee

| DATA ELEMENT  | UPPER ZONE                   | INTERMEDIATE ZONE            | LOWER ZONE                   |
|---|------------------------------|------------------------------|------------------------------|
| Pool Name   | WILDCAT BASIN MANCOS         | BLANCO MESAVERDE             | BASIN DAKOTA                 |
| Pool Code   | 97232                        | 72319                        | 71599                        |
| Top and Bottom of Pay Section<br>(Perforated or Open-Hole Interval)   | 6320' - 6768'                | 5188' - 5359'                | 7285' - 7407'                |
| Method of Production<br>(Flowing or Artificial Lift)  | FLOWING                      | FLOWING                      | FLOWING                      |
| Bottomhole Pressure<br>(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)    |                              |                              |                              |
| Oil Gravity or Gas BTU<br>(Degree API or Gas BTU)   |                              |                              |                              |
| Producing, Shut-In or New Zone  | NEW ZONE                     | NEW ZONE                     | PRODUCING                    |
| Date and Oil/Gas/Water Rates of Last Production.<br>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.) | Date:<br>Rates:              | Date:<br>Rates:              | Date:<br>Rates:              |
| Fixed Allocation Percentage<br>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)                  | Oil Gas Water<br>19% 05% 10% | Oil Gas Water<br>34% 56% 44% | Oil Gas Water<br>47% 39% 46% |

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X 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 X No \_\_\_

Will commingling decrease the value of production? Yes \_\_\_ No X

If this well is on, or communitized 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 Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 7/30/04  
TYPE OR PRINT NAME HOLLY C. PERKINS TELEPHONE NO. (505) 564-6720  
E-MAIL ADDRESS holly\_perkins@xtoenergy.com

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

DISTRICT II  
P.O. Drawer 00, 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

|                                   |   |  |
|-----------------------------------|---|--|
| <sup>1</sup> API Number           | <sup>2</sup> Pool Code<br>71599               | <sup>3</sup> Pool Name<br>Basin Dakota |
| <sup>4</sup> Property Code        | <sup>5</sup> Property Name<br>SCHWERTFEGER A  | <sup>6</sup> Well Number<br>24         |
| <sup>7</sup> OGRID No.<br>1167067 | <sup>8</sup> Operator Name<br>XTO ENERGY INC. | <sup>9</sup> Elevation<br>6196         |

<sup>10</sup> Surface Location

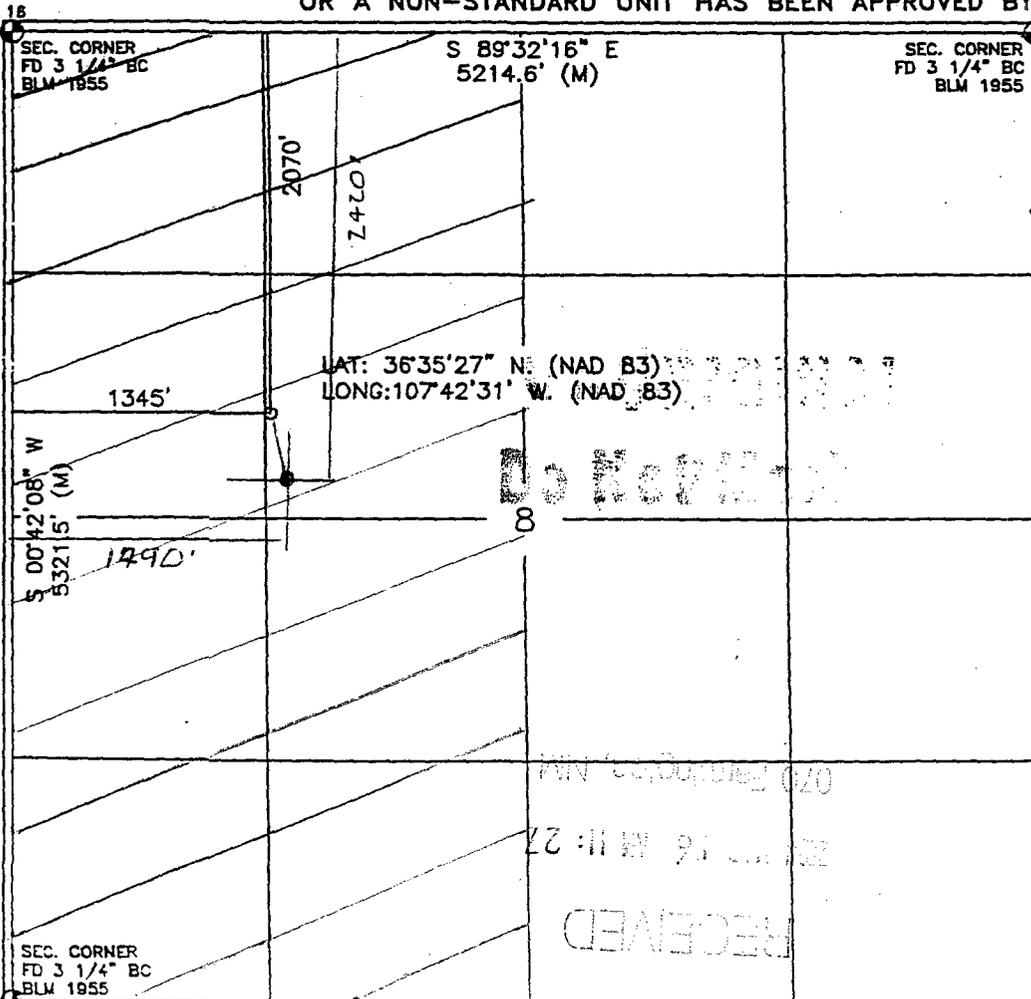
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| F             | 8       | 27-N     | 8-W   |         | 2070          | NORTH            | 1345          | WEST           | SAN JUAN |

<sup>11</sup> 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   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| F             | 8       | 27N      | 8W    |         | 2420          | NORTH            | 1490          | WEST           | SAN JUAN |

|                                      |  |                                  |                         |
|--------------------------------------|--|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>320 | <sup>13</sup> Joint or Infill<br>WIA I | <sup>14</sup> Consolidation Code | <sup>15</sup> 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

*Heely & Small*  
Signature  
Heely & Small  
Printed Name  
Drilling Assistant  
Title  
2/1/03  
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.

4-11-03  
Date of Survey  
Signature and Seal of Professional Surveyor:  
DAVID A. JOHNSON  
REGISTERED PROFESSIONAL SURVEYOR  
14827  
Certificate Number

RECEIVED  
APR 16 11:27 AM '03

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

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                   |   |   |
|-----------------------------------|---|---|
| <sup>1</sup> API Number           | <sup>2</sup> Pool Code<br>72319               | <sup>3</sup> Pool Name<br>Blanco Mesquero |
| <sup>4</sup> Property Code        | <sup>5</sup> Property Name<br>SCHWERTFEGER A  |   |
| <sup>7</sup> DGRID No.<br>1670107 | <sup>6</sup> Operator Name<br>XTO ENERGY INC. | <sup>8</sup> Well Number<br>24            |
|                                   |   | <sup>9</sup> Elevation<br>6196            |

<sup>10</sup> Surface Location

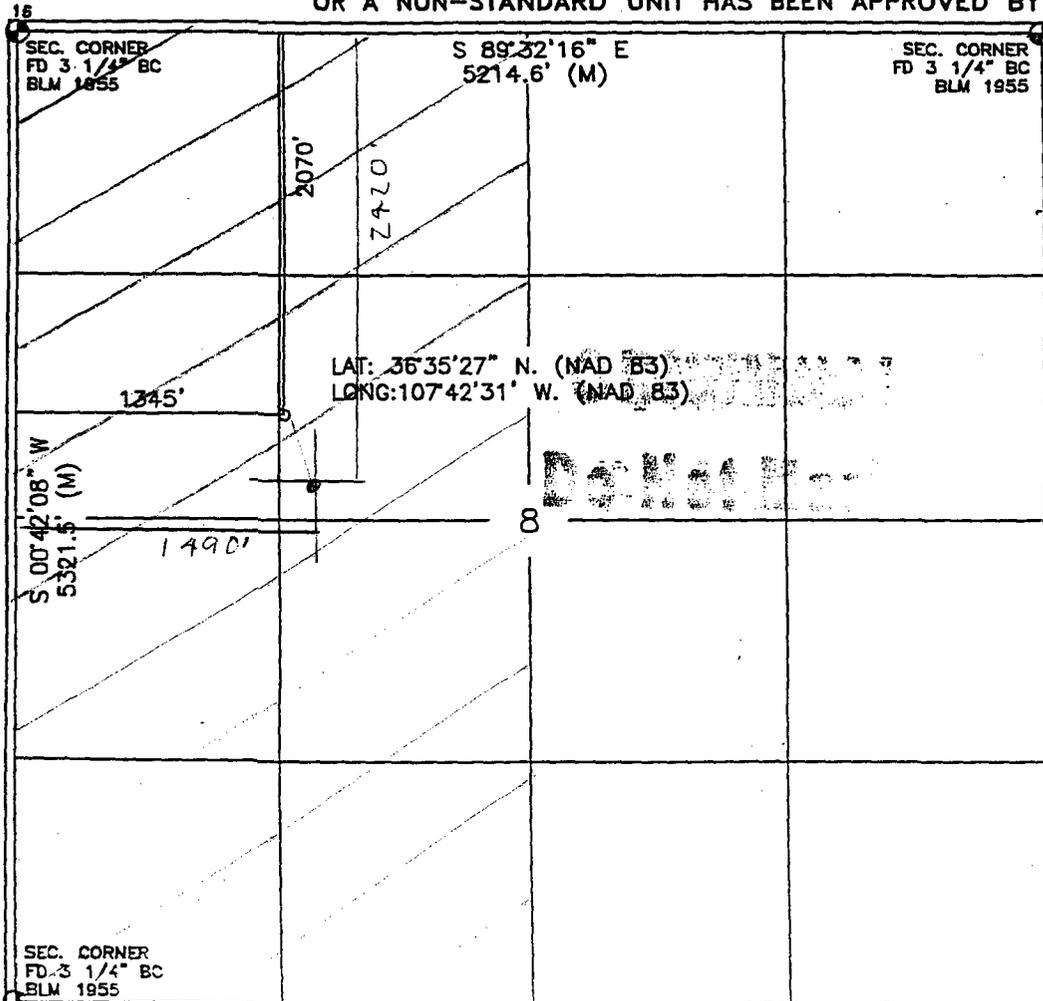
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| F             | 8       | 27-N     | 8-W   |         | 2070          | NORTH            | 1345          | WEST           | SAN JUAN |

<sup>11</sup> 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   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| F             | 8       | 27N      | 8W    |         | 2420'         | NORTH            | 1490'         | WEST           | SAN JUAN |

|                                      |   |                                  |                         |
|--------------------------------------|---|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>320 | <sup>13</sup> Joint or Infill<br>W/L2 I | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
|--------------------------------------|---|----------------------------------|-------------------------|

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17 OPERATOR CERTIFICATION

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

Signature: Kelly H Small  
Printed Name: Kelly H Small  
Title: Drilling Assistant  
Date: 8/1/03

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: 4-11-03  
Signature and Seal of Professional Surveyor: DAVID A. JOHNSON

Certificate Number