

DATE IN 12-9-04	SUSPENSE 12-29-04	ENGINEER MS	LOGGED IN MS 12-27	TYPE NSL	APP NO. 436247545
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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]

RECEIVED

[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 _____

DEC 9 2004

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

[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

Landman
 Title

12-8-04
 Date

George.Cox@XTOENERGY.COM
 e-mail Address



December 8, 2004

FEDERAL EXPRESS:

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

RE: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s C.A. McAdams "D" 2F
745' FSL and 1,980' FEL (SW/4 SE/4)
Unit O, Section 20, T27N-R10W
San Juan County, New Mexico
Angle Peak Gallup Oil Formation

RECEIVED

30-045-32586

DEC 9 2004

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

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. Topographic map
3. Ownership map
4. Production map of Basin Dakota and Angle Peak Gallup Oil

The above captioned well is proposed to be drilled as a Basin Dakota and Angle Peak Gallup well with the Dakota being spaced as an E/2 320 acre unit and the Angle Peak Gallup as a 80 acre laydown S/2SE/4 unit. The primary formation for this well is the Dakota formation. The well is being placed at a location based on the Dakota formation. The well is non standard at this footage location for the Angle Peak Gallup due to topographic problems. It is also in an attempt to obtain the greatest distance from the existing Dakota producer in the quarter section, being the C.A. McAdams D #2E well, while attempting to be standard in the Gallup. If you look at the attached topographic map, problems exist moving the location to the north trying to get a legal location in the Angle Peak Gallup formation.

The current wellbore in the C.A. McAdams "D" 2E well would not be conducive to an Angle Peak Gallup completion. The well was completed as a Dakota formation in 1983. The cement on the production string did not circulate to the surface on the second

stage. The top of the cement was found at 2400' by temperature survey. Squeeze holes were perforated at 1750' and cement was pumped and circulated to the surface. The top of the cement on the first stage is unknown. The well may not have adequate cement across the Gallup formation and may need to be squeeze cemented to get adequate cement across the Gallup formation. In addition with the squeeze holes at 1750', the Gallup would have to be completed using a packer and bridge plug. Greater risk are involved using this process in an older vintage well, i.e. collapsed casing or sticking the workstring in the hole and losing Dakota production.

All of the offset operators have been notified of this application by Certified Mail and copies of the letters and receipts are attached.

XTO Energy Inc. requests 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.



George A. Cox, CPL

Landman

Enclosures

Cc: Del Craddock
Jeffery Patton
Barry Voigt

OFFSET OPERATORS AND OWNERS NOTIFICATION LIST
C.A. MCADAMS "D" #2F WELL

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



December 8, 2004

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 C.A. McAdams "D" 2F
745' FSL and 1,980' FEL (SW/4 SE/4)
Unit O, Section 20, T27N-R10W
San Juan County, New Mexico
Angle Peak Gallup Oil Formation

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.

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

George A. Cox, CPL
Landman

Enclosures

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL

7004 1160 0002 6523 3215
7004 1160 0002 6523 3215

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage \$

Certified Fee

Return
(Endorse)

Restricted
(Endorse)

Dawn Howell
Burlington Resources
P. O. Box 4289
Farmington, NM 87499-4289
GAC:12/8/04:C A McAdams D#2F

Sent To

Street, Apt. No.,
or PO Box No.
City, State, ZIP+4

PS Form 3800, June 2002

See Reverse for Instructions

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:

Dawn Howell
Burlington Resources
P. O. Box 4289
Farmington, NM 87499-4289
GAC:12/8/04:C A McAdams D#2F

2. Article Number

(Transfer from service label)

7004 1160 0002 6523 3215

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

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

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Avenue, 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 87504-2088

Form C-102
Revised June 10, 2003
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 CA McADAMS D			6 Well Number 2F
7 OGRID No.		8 Operator Name XTO ENERGY INC.			9 Elevation 5996'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot 14n	Feet from the	North/South line	Feet from the	East/West line	County
0	20	27-N	10-W		745	SOUTH	1980	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

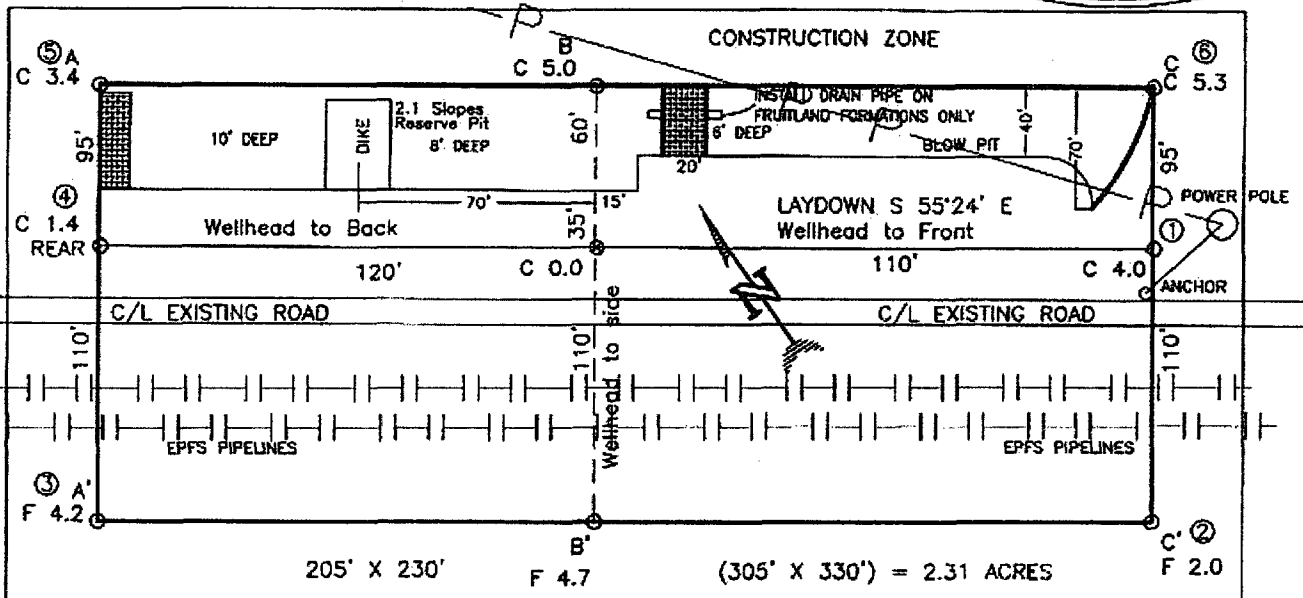
UL or lot no.	Section	Township	Range	Lot 14n	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

16 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

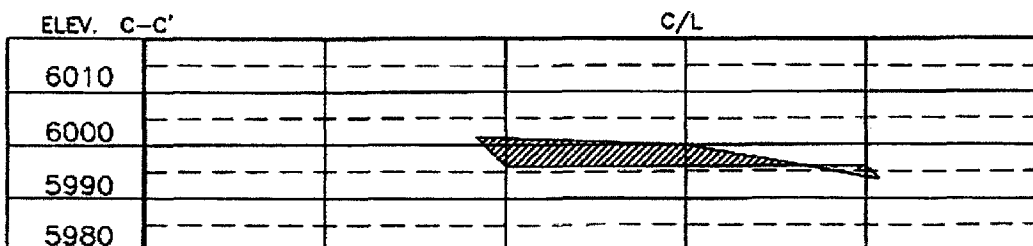
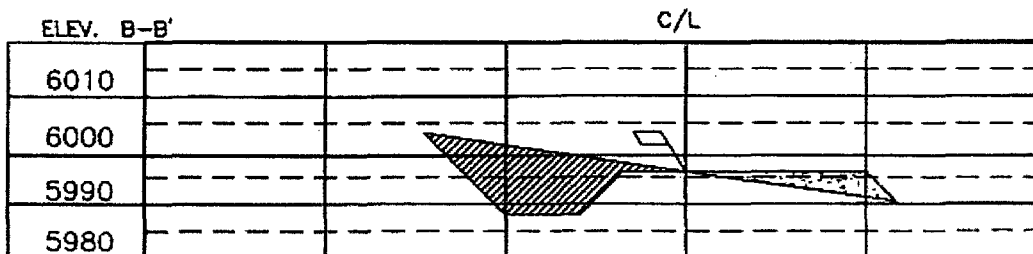
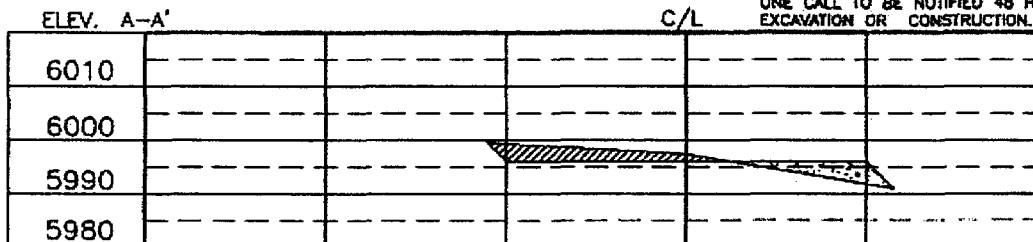
				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
				Signature _____ Printed Name _____ Title _____ Date _____	
				18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted 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.	
				Date of Survey _____ Signature and Seal of Professional Surveyor _____ Certificate Number _____	

XTO ENERGY INC.
 CA McADAMS D No. 2F, 745 FSL 1980 FEL
 SECTION 20, T27N, R10W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 5996, DATE: JUNE 9, 2004

LAT: 36°33'20" N.
 LONG: 107°54'58" W.
 NAD 27



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.

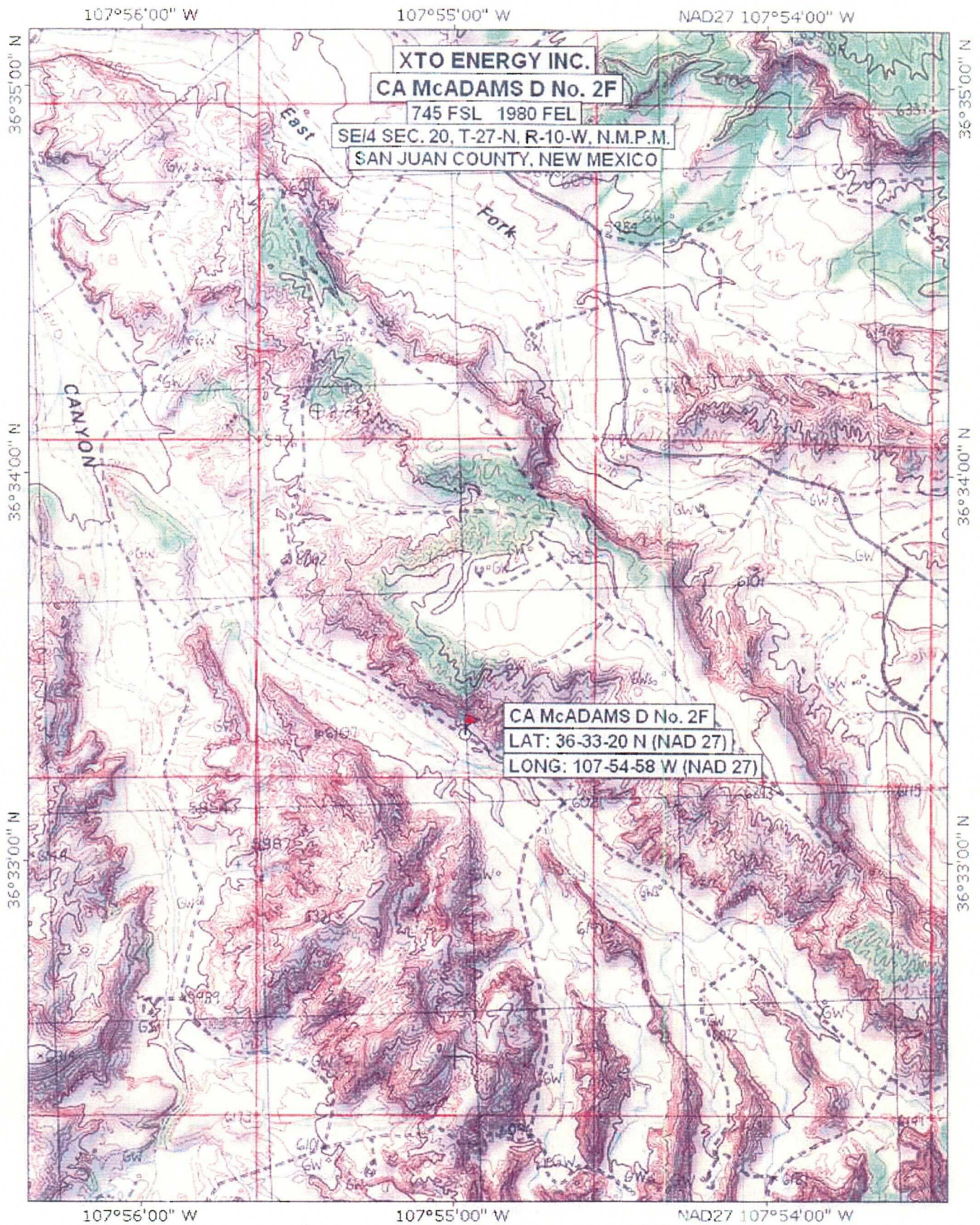


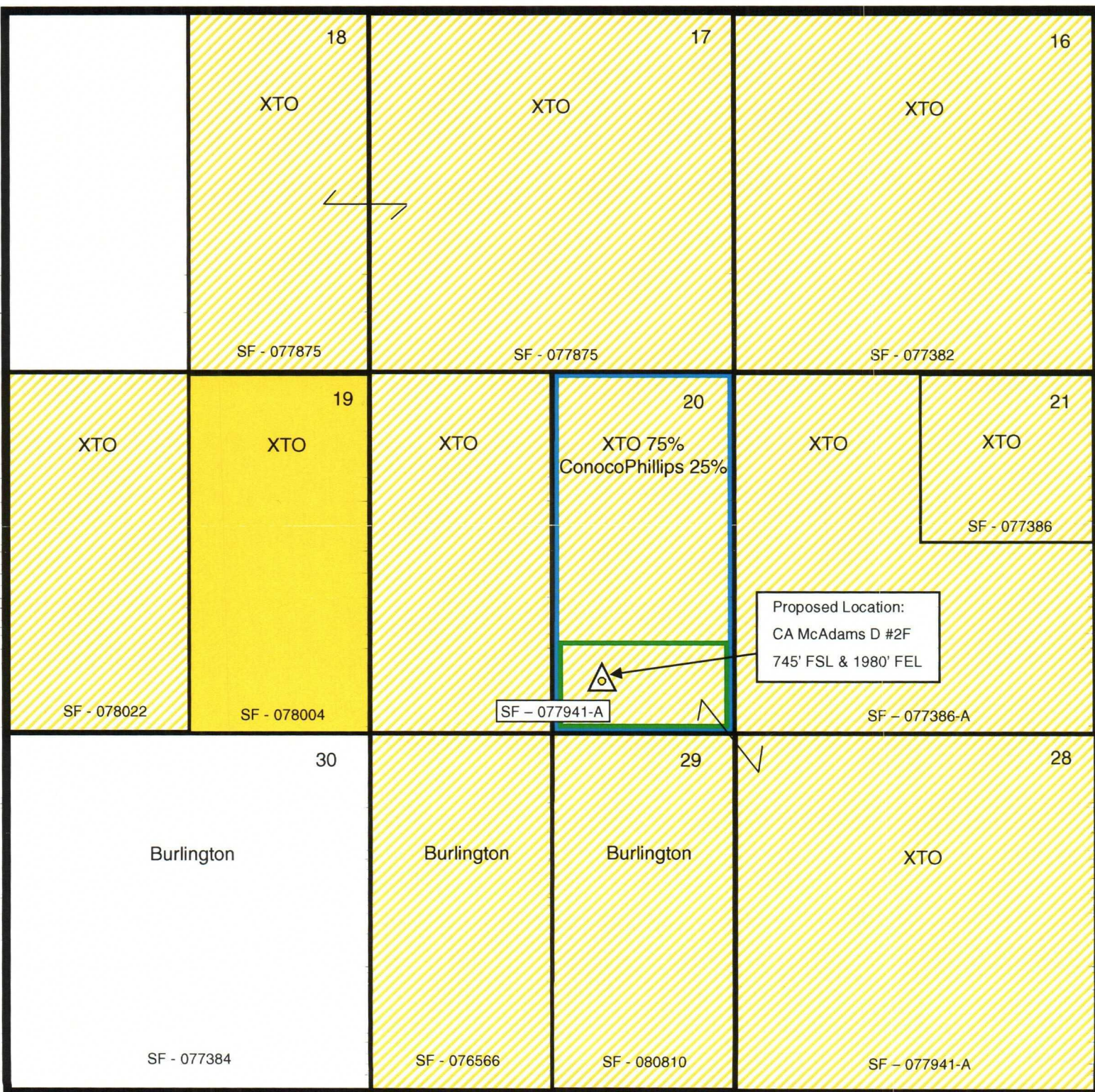
NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15088 • Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 326-6019
 NEW MEXICO L.S. No. 14831
 CDS#01 CR321C7B
 DATE: 07/20/04



Drawn By: A.G.
 Checked: CR321
 Date: 07/20/04





XTO ENERGY INC.

SEC 20 T27N R10W

SAN JUAN BASIN

CUM PROD @ 7/2004

San Juan County, NM

Ratio Scale = 1 : 24,000



POSTED WELL DATA

Operator
 POCUM CLARK POCUM CLARK
 POCUM CLARK POCUM CLARK
 POCUM CLARK POCUM CLARK
 POCUM CLARK POCUM CLARK

ATTRIBUTE MAP



SYMBOL HIGHLIGHT

- BOOKED FRUITLAND COAL RESERVES
- BOOKED PICTURED CLIFFS RESERVES
- BOOKED CHACRA RESERVES
- BOOKED MESAVARDE RESERVES
- BOOKED GALLUP RESERVES
- BOOKED DAKOTA RESERVES
- BOOKED PARADOX RESERVES

WELL SYMBOLS

- Oil Well
- Gas Well
- Oil & Gas Well
- Location

REMARKS

Gallup/Dakota Producers

Rv. Janna Frazier



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

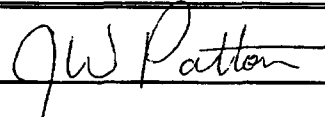
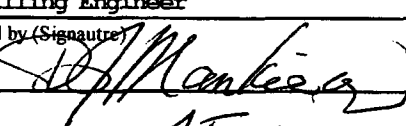
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF - 077941A
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator XTO Energy Inc.		7. Unit or CA Agreement Name and No.
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM		8. Lease Name and Well No. CA McAdams "D" #2F
3b. Phone No. (include area code)		9. API Well No. 30-045-32586
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 745' FSL x 1,980' FEL in Sec 20, T27N, R10W At proposed prod. zone		10. Field and Pool, or Exploratory Basin Dakota Basin Mancos
14. Distance in miles and direction from nearest town or post office* Approx 20 air mile Southeast of the Bloomfield, NM Post office		11. Sec., T., R., M., or Blk. and Survey or Area 0 Sec 20, T27N, R10W
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 745'	16. No. of Acres in lease 1,280	17. Spacing Unit dedicated to this well 320 E/2 DK 160 SE/4 MC
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,100'	19. Proposed Depth 6,700'	20. BLM/BIA Bond No. on file
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5,996' Ground Level	22. Approximate date work will start*	23. Estimated duration

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) Jeffrey W. Patton	Date 9/13/04
Title Drilling Engineer		
Approved by (Signature) 	Name (Printed/Typed) AFM	Date 11/8/04
Title AFM	Office FFO	

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)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

APD/ROW

NMOCD

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

DISTRICT I
1625 N. Fench Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Avenue, 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 87504-2088

Form C-102
Revised June 10, 2003
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 30-045-32586		Pool Code 71599	Pool Name BRIN DAKOTA
Property Code 22599	Property Name CA McADAMS D		Well Number 2F
GRID No. 167067	Operator Name XTO ENERGY INC.		Elevation 5996'

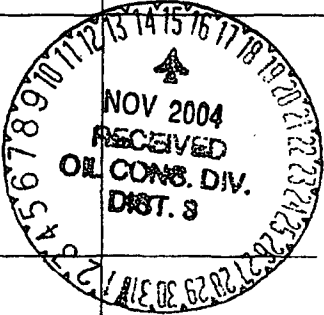
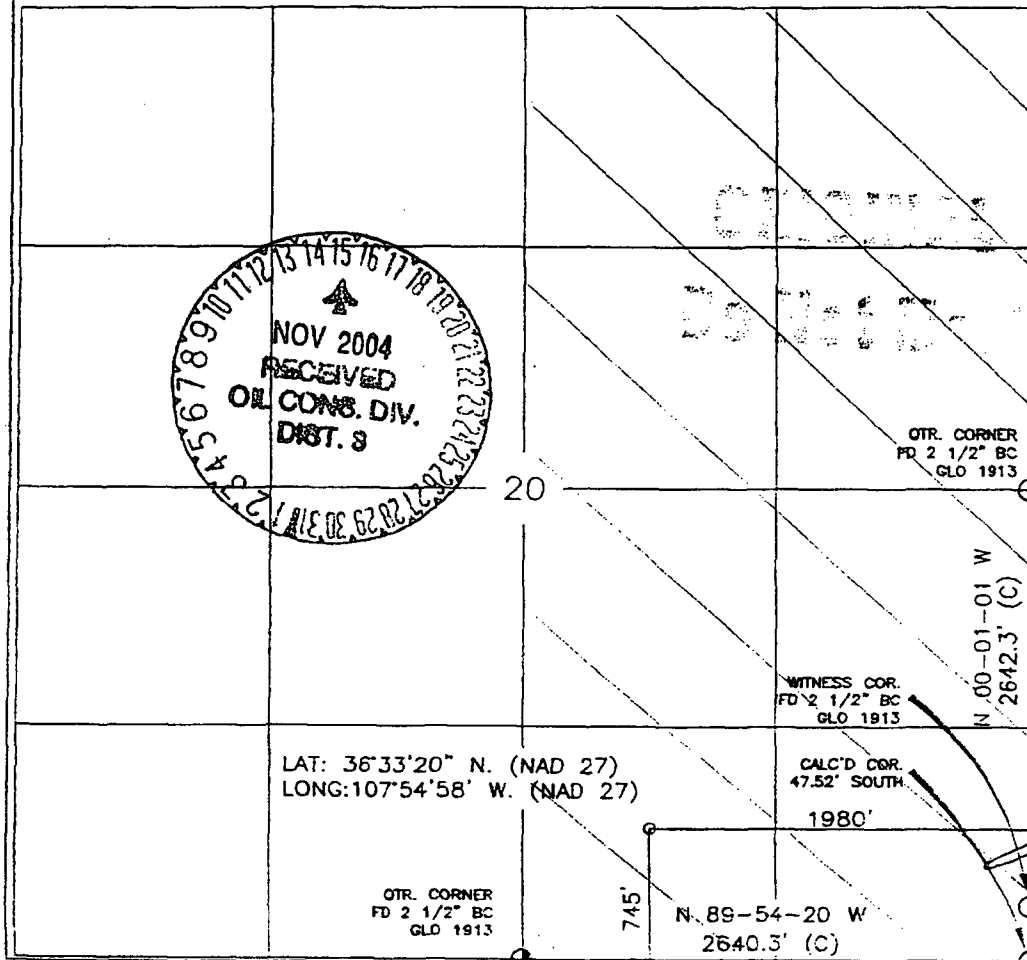
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	20	27-N	10-W		745	SOUTH	1980	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
Dedicated Acres 320		Joint or Infill E/2		Consolidation Code I		Order No.			

16 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

 LAT: 36°33'20" N. (NAD 27) LONG: 107°54'58" W. (NAD 27) QTR. CORNER FD 2 1/2" BC GLO 1913	 QTR. CORNER FD 2 1/2" BC GLO 1913 WITNESS COR. FD 2 1/2" BC GLO 1913 CALC'D COR. 47.52' SOUTH 1980' N. 89-54-20 W 2640.3' (C) 745' N. 00-01-01 W 2642.3' (C)	<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>Jeffrey W. Patton</u></p> <p>Printed Name: <u>JEFFREY W. PATTON</u></p> <p>Title: <u>DRILLING ENGINEER</u></p> <p>Date: <u>7-13-04</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>Signature and Seal of Professional Surveyor: <u>Anna Vukovich</u></p> <p>Date of Survey: <u>JUL 15 2004</u></p> <p>Certificate Number: <u>14831</u></p>

DISTRICT I
1625 N. Fench Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Avenue, 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 87504-2088

Form C-102
Revised June 10, 2003
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 97232	³ Pool Name BASIN McADAMS
⁴ Property Code	⁵ Property Name CA McADAMS D	⁶ Well Number 2F
⁷ OGRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5996'

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
0	20	27-N	10-W		745	SOUTH	1980	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 16.0 SE / Z		¹³ Joint or Infill I		¹⁴ Consolidation Code		¹⁵ Order No.			

16 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. Signature: <u>Jeffrey W. Patton</u> Printed Name: <u>JEFFREY W. PATTON</u> Title: <u>DRAWING ENGINEER</u> Date: <u>9-15-09</u>	
				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: <u>JUL 20 2009</u> Signature and Seal of Professional Surveyor: <u>[Signature]</u> Certificate Number: <u>14831</u>	



CLS0914040506

100

Delivery Address Bar Code

THU

FORM
0201

A0 SAFA

11 F

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.