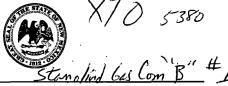
							110	ω_{-}		
DATE IN DIST	SUSPENSE	ENGINEER RE	LOGGED IN	10,3.11	TYPE \	PLC	APP NO.	1127	6567	298

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 30-045-24149

				
T	'HIS CHECKLIST IS	MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS F WHICH REQUIRE PROCESSING AT THE DIVI	FOR EXCEPTIONS TO DIVISION F SION LEVEL IN SANTA FE	RULES AND REGULATIONS
Appli	[NSL-Non-St [DHC-Do [PC-l	andard Location] [NSP-Non-Standard Prorati wnhole Commingling] [CTB-Lease Comming Pool Commingling] [OLS - Off-Lease Storago	on Unit] [SD-Simultaneor gling] [PLC-Pool/Lease e] [OLM-Off-Lease Mear ure Maintenance Expansi tion Pressure Increase]	us Dedication] 30-245 - 37 Commingling] surement] ion]
[1]	[A]	APPLICATION - Check Those Which Apply for Location - Spacing Unit - Simultaneous Dec NSL NSP SD ck One Only for [B] or [C] Commingling - Storage - Measurement		Amond PLC
	[C]	☐ DHC ☐ CTB ☑ PLC ☐ PO	nhanced Oil Recovery	
	[D]	Other: Specify		
[2]	NOTIFICA [A]	TION REQUIRED TO: - Check Those Which Working, Royalty or Overriding Royal		pply
	[B]	Offset Operators, Leaseholders or Surf	ace Owner	
	[C]	Application is One Which Requires Pu	iblished Legal Notice	
	[D]	Notification and/or Concurrent Approv U.S. Bureau of Land Management - Commissioner of Public	val by BLM or SLO	
	[E]	For all of the above, Proof of Notificat	ion or Publication is Attacl	hed, and/or,
	[F]	Waivers are Attached		
[3]		CCURATE AND COMPLETE INFORMAT CATION INDICATED ABOVE.	TION REQUIRED TO PI	ROCESS THE TYPE
	val is <mark>accurate</mark>	ATION: I hereby certify that the information so and complete to the best of my knowledge. I arequired information and notifications are subm	also understand that no act	
	No	te: Statement must be completed by an individual with	managerial and/or supervisory	capacity.
	er Morrow or Type Name	Signature Morrow	Sr. Regulatory Complia Title	nnce Technician 9/30/2011 Date
		er e	Jennifer Morrow@xto	energy.com



RECEIVED OCD

September 30, 2011

Mr. Richard Ezeanyim New Mexico Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, NM 87505

Subject: Amend Surface Commingle

Stanolind Gas Com B #1 CDP (PLC-263)

San Juan County, NM

Dear Mr. Ezeanyim:

XTO Energy Inc. requests administrative approval to amend the formerly approved surface commingling (PLC-263) of natural gas produced from commingled system known as the Stanolind Gas Com B #1 CDP. The Stanolind Gas Com B #1 and Stanolind Gas Com B #3 were approved to be commingled in November 2004. The Stanolind Gas Com B #1 has since been plugged and abandoned (3/8/2007), and XTO would like to add-the Stanolind Gas Com B #4 to the CDP system. These wells are located in Section 09-Township 32N-Range 12W in San Juan County, New Mexico.

XTO plans to produce the commingled gas through a central compressor, thus lowering operating expenses and extending the economic life of the wells. This increases the ultimate recoveries on all leases. The anticipated allocated fuel production and fuel usage for the compressor is noted in the attachments.

Each well will be equipped with allocation meters that will be maintained by XTO Energy in accordance with State and Federal Regulations (Onshore Order No. 5). Produced liquids will not be surface commingled. All interest owners have been notified via certified mail, return receipt, on August 29, 2011.

The following attachments are included with this application:

Form C107B (application for surface commingle; diverse ownership)
Map of all wells and their associated leases
Form C-102 for each well (plats)
Table of well with lease and agreement information, spacing, permits, gravities/BTU, MCF
Schematic diagram showing all flowlines, compressors & equipment
Details of allocation formula
Letter to WI, NRI & ORRI owners & list of owners
Administrative Application Checklist

Sincerely,

Jennifer Morrow

Senior Regulatory Compliance Tech

xc: OCD, Aztec Office

XTO Energy Inc. 382 Road 3100 Aztec, NM 87410 Phone: (505) 333-3100 Fax: (505) 333-3280

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

E-MAIL ADDRESS: Jennifer Morrow@xtoenergy.com

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-107-B Revised June 10, 2003

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICA	TION FOR SURFACE	COMMINGLING	(DIVERSE	OWNERSHIP)	
-	XTO Energy, Inc.				
-	382 Road 3100, Aztec, New M	lexico 87410		· · · · · · · · · · · · · · · · · · ·	
APPLICATION TYPE:	_				
	Commingling Pool and Lease Co		Storage and Measur	rement (Only if not Surface	e Commingled)
LEASE TYPE: Fee					
Is this an Amendment to exist Have the Bureau of Land Man	ing Order? Yes No If nagement (BLM) and State Lan	"Yes", please include to office (SLO) been not	the appropriate C tified in writing o	Order No. PLC-263 of the proposed comm	ingling
		OL COMMINGLIN ts with the following in			
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Basin Fruitland Coal 71629	9				
Blanco Mesaverde 72319	9				
				0	
(4) Measurement type: Met	tering		 ,		
		LEASE COMMIN			
(1) Complete Sections A and E.		ts with the following in	nformation		
-					
	(D) OFF-LEASE ST	FORAGE and MEA ets with the following			
(1) Is all production from same (2) Include proof of notice to al	source of supply? Yes		inioi matton		
	(E) ADDITIONAL INFO	DRMATION (for all ts with the following in		/pes)	
(2) A plat with lease boundaries	ility, including legal location. s showing all well and facility locat ell Numbers, and API Numbers.	ions. Include lease numbe	ers if Federal or Sta	ate lands are involved.	
I hereby certify that the information	on above is true and complete to the	best of my knowledge an	d belief.		
SIGNATURE: Of ruiter	Morrow T	ITLE: Sr. Regulatory Cor	npliance Technicia	nDATE:_ <u>9/30/2</u>	2011
TYPE OR PRINT NAME Jennife	er Morrow		TELEP	HONE NO.:505-333-3	3682

	XTO Energy, Inc.	Stanolind Gas Com B #1 CDP S9-T23N-R12W San_Juan_with Radius.OVL 0 1,962 3,924 FEET POSTED WELL DATA Operator Well Label	WELL SYMBOLS Gas Well By: JM August 30, 2011
19	10	15	
24	STANOLIND GC B #4 STANOLIND GC B #3	16	
23	∞	17	

PETRA 8/30/2011 2:57:45 PM

DISTRICT I State of New Mexico P.O. Box 1980, Hobbs, N.M. 88241-1980 Energy, Minerals & Natural Resources Department Revised February 21, 1994 Instructions on back DISTRICT II P.O. Drawer DD, Artesia, N.M. 88211-0719 Submit to Appropriate District Office OIL CONSERVATION DIVISION 7 4 2 25 PM 3: 52 Fee Lease - 4 Copies 52 Fee Lease - 3 Copies DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 P.O. Box 2088 Santa Fe, NM 87504-2088 070 Farmington, NM AMENDED REPORT DISTRICT IV PO Box 2088, Santa Fe, NM 87504-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT ²Pool Code ³Pool Name 629 rustand ⁶Property Name Well Number STANOLIND GAS COM B 3 Operator Name Elevation XTO ENERGY INC. 6125 16706 ¹⁰ Surface Location UL or lot no. Section Feet from the North/South line Range Lot Idn Feet from the East/West line County SOUTH SAN JUAN 12-W 1010 WEST N 9 32-N 2480 ¹¹ Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot lon Feet from the North/South line Feet from the East/West line County Dedicated Acres 13 Joint or Infil 14 Consolidation Code 18 Order No. 280.38 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 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief ORIGINA Do Not Mark SEC. CORNER FD 3 1/4" BC BLM 1952 **COLORADO** NEW MEXICO 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was platted from field notes of actual surveys made by me or under my supervision, and that the same is true and LOT 8 <u>ю</u>т 6 correct to the best of my belief. LOT 5 03 9 2480 LAT: 36:59'46" N. (NAD 27) LONG:108:06'01.5' W. (NAD 27) LOT 10 5 LOT 9 LOT POFF 482 SEC. CORNER S 87'22'44" E OTR. CORNER FD 3 1/4 BLM 1952 ED 3 1/4" BC BLM 1952 2545.70' (N) Certificate Number

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

DISTRICT II 1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT BI 1000 Rio Brazos Rd., Aztec, N.M. 87410 State of New Mexico Energy, Minerals & Natural Resources Department

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

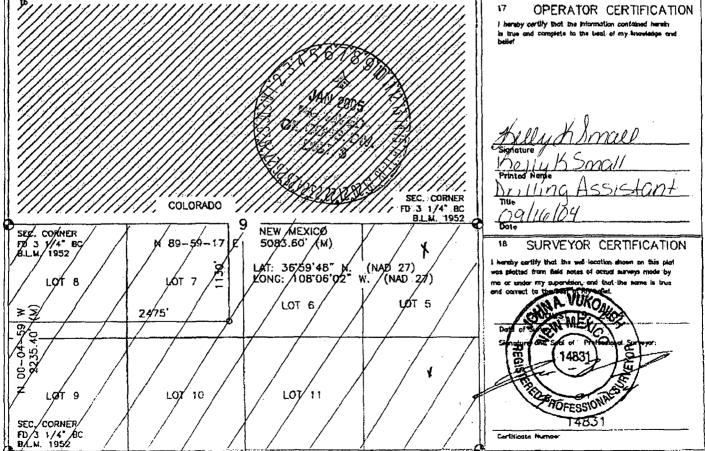
SEP 2 3 2004

Revised June 10, 2003 ppropriate District Office State Lease — 4 Copies

Form C-102

Fee Lease - 3 Copies

DISTRICT IV 1220 South St. Fre	ncla Dr., Sa	nto Fe, NM 87	150 5			Surear Fan	of Land Manag Tington Field Of		AMENDE	ED REPORT
		V	VELL L	OCATIO	N AND AC	REAGE DEDI	CATION PL	ΑŤ		
3000	Mumber 32	592	76	*Pool Code)310		Blance	Pool Rame	Save	962	
Property Co.	*/				*Property N	ome			4 Well 1	Vumber
7000	7				STANOLIND GAS	S COM B				4
OCRID No.					*Operator h	iome .			De	vation
110700	071				XTO ENERG	Y INC.			61	16
					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
K	9	32-N	12-W	LOT 7	1130	NORTH	2475	WEST		SAN JUAN
			" Bott	om Hole	Location	f Different Fro	om Surface			
UL or let no.	Section	Township	Ronge	Lot idn	Feet from the	North/South line	Feet from the	East/Wost	line	County
		<u> </u>		<u> </u>						·
Dedicated Acres	//	'	s Joint or h	वर्षि)	** Consolidation C	ode	*Order No.			Ì
S	280	38								
NO ALLOW	ABLE V					ON UNTIL ALL			EN CON	SOLIDATED
		OR A N	10N-ST	ANDARD	UNIT HAS B	EEN APPROVE	DIBY THE DI	VISION		
15								OPERATION OPERATION OF THE PERAMETER OF	nformation co	

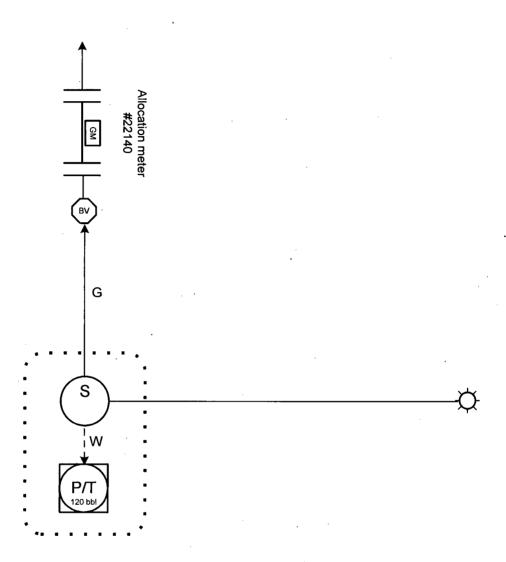


Stanolind Gas Com B #1 CDP

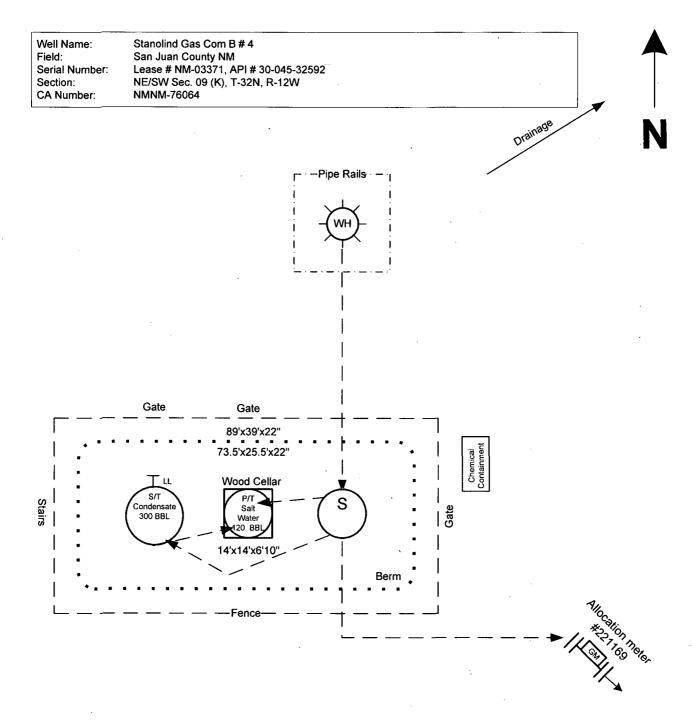
											Est Daily
Well Name	API#	Pool	S-T-R	FNL/FSL	FEL/FWL	FNL/FSL FEL/FWL Lease Number	Agreement Number	Permits	Gravity	BTU C	Gas Rate
Stanolind Gas Com B #3 30-045-32250 Fruitland Coal	30-045-32250	Fruitland Coal	S09N-T32N-R12W	1010' FSL	2480' FWL	NMNM-03371	NMNM-99310	PLC-263	0.000	0.900	293.53
Stanolind Gas Com B #4 30-045-32592 Blanco Mesaverde	30-045-32592	Blanco Mesaverde	S09K-T32N-R12W	1130' FNL	2475' FWL	NMNM-03371	NMNM-76064	N/A	56.840	0.999	103.33

XTO ENERGY INC. Stanolind Gas Com B #003 Sec. 09, T32N, R12W, Unit N Federal Lease #: NMNM03371 API #: 30-045-32250





General sealing of valves, sales by tank gauging
Production phase: Drain valve D1 and sales valve S1 sealed closed.
Sales phase: Drain valve D1 sealed closed. Sales valve S1 open.
Draining phase: Drain valve D1 open. Sales valve S1 closed.



Production
Gas
Oil
Water
Equalizing Line
Catch Basin

Well Name: Field:

Stanolind Gas Com B #1 CDP

San Juan County NM

Lease#

Section:

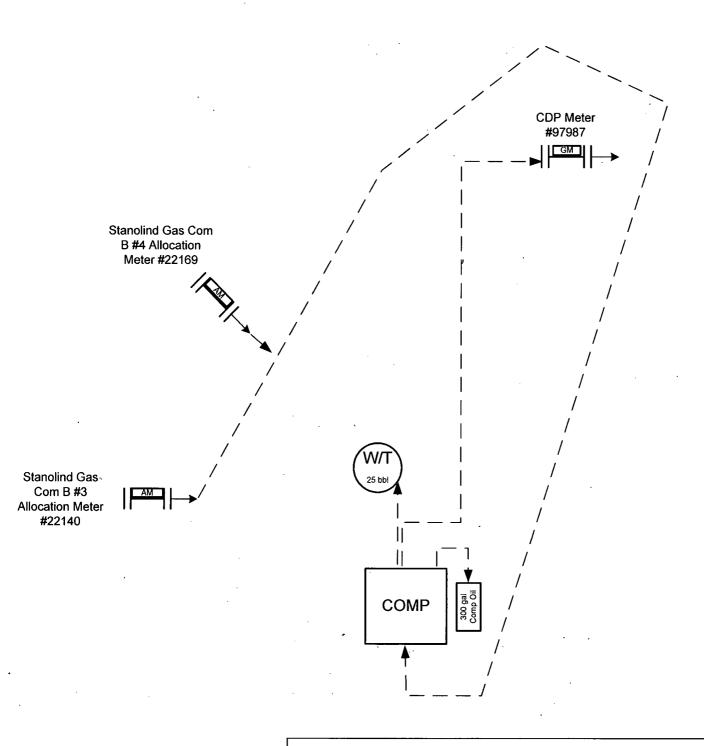
S09I-T32N-R12W

CA # If Applicable:

Updated:

7/13/2011





Production
Gas
Oil
Water
Equalizing Line
Catch Basin-

General sealing of valves, sales by tank gauging
Production phase: Drain valve D1 and sales valve S1 sealed closed.
Sales phase: Drain valve D1 sealed closed. Sales valve S1 open.
Draining phase: Drain valve D1 open. Sales valve S1 closed.

This lease is subject to the site security plan for San Juan Basin Area. The plan is located at:

XTO ENERGY INC.

382 Road 3100

Aztec, NM 87410

Compres	sor	Information	n
T tions		Chan alim d Ca	- C D #1
Location:		Stanolind Ga	
Lat/Long:		36.99689/-10	08.09448
Manufacturer:		Cummins	
Engine:		GTA855	
Horse Power:		281	
Fuel Usage:			
100)%	67.4	mcfd
7:	5%	57.3	mcfd
50)%	47.2	mcfd

.

STANOLIND GAS COM B #1 CDP

Proposed Allocation Procedure

Base Data:

W = Gas Volume (Mcf) from allocation meters at individual wells during allocation period

X = Gas Volume (Mcf) from CDP Sales Meter during allocation period

Y = BTU's from CDP Sales Meter during allocation period

Allocation Period is typically a calendar month and will be the same for all wells.

1. Individual Well Gas Production = A + B + C + D + E

A = Allocated Sales Volume, $Mcf = (W/SUM \ W) \times X$ (individual well volume divided by the sum of the well volumes; multiplied by total from CDP)

- B = On lease fuel usage, Mcf. Determined from equipment specifications and operating conditions.
- C = Purged and/or vented gas from well and/or lease equipment, Mcf. Calculated using equipment specifications and pressures.
- D = Allocated fuel from gathering system equipment. The total fuel required to operate gathering system equipment will be allocated to the individual wells benefiting from the equipment using allocation factors determined by W/SUM W for the wells involved.
- E = Allocated volume of gas lost and/or vented from the gathering system and/or gathering system equipment, Mcf. The total volume will be determined using industry accepted procedures for the conditions existing at the time of the loss. All volumes corresponding to liquid condensation within the gathering system will also be determined. The total volume lost and/or vented will be allocated to the individual wells affected using factors determined by W/SUM W.
- 2. <u>Allocated Individual Well BTU's</u> = ((W x Individual well BTW/SUM (@ x individual well BTU)) x Y. Individual well gas heating values to be determined in accordance with BLM regulations (currently Onshore Order #5).



August 29, 2011

RE: Notice to Working and Royalty Interest Owners

Application to Surface Commingle Gas Production

San Juan County, New Mexico

XTO Energy Inc. is applying to the New Mexico Oil Conservation Division (NMOCD) for approval to add the Stanolind B #4 to the existing and previously approved surface commingling of gas production from Stanolind B #1 and Stanolind B #3. NMOCD requires that all interest owners be notified of plans to surface commingle when ownership is different between wells.

Produced gas from each well will be measured separately prior to being commingled. We plan to produce the commingled gas through a shared compressor which will increase the ultimate recoveries of the leases. Produced liquids will not be surface commingled. In the future, additional wells, pools and acreage may be added to this surface commingle or this gathering system.

If you need additional information, or have any questions, please contact me at (505) 333-3682. If you have an objection to our application, you must file a protest in writing to the NMOCD Santa Fe office at 1220 South Saint Francis Drive, Santa Fe, NM 87505 within 20 days from the date of this letter. If there are no objections raised, an application will be submitted to NMOCD at that time.

Sincerely,

Jennifer Morrow

Senior Regulatory Compliance Technician

Xc: Well Files

FW Land Department NMOCD, Aztec

XTO Energy Inc. 382 Road 3100 Aztec, NM 87410 Phone: (505) 333-3100 Fax: (505) 333-3280

Ben R. Howard Estate
Martha Howard Alcorta Ind Exec.
548 Summit Drive
Richardson, Texas 75081
Stanolind GC B #1 CDP JMorrow

Bill L. Bledsoe Trustee 5615 Netherland Court Dallas, Texas 75229

Stanolind GC B #1 CDP JMorrow

Bonanza Creek Minerals, LLC 2321 Candelaria NW Albuquerque, New Mexico 87107 Stanolind GC B #1 CDP JMorrow

Brian D. Gibson
P.O. Box 22459
Santa Fe, New Mexico 87502
Stanolind GC B #1 CDP JMorrow

Elizabeth H. White Family Trust Linda Payne, Trustee P.O. Box 780099 Dallas, Texas 75378-0099 Stanolind GC B #1 CDP JMorrow

P.O. Box 191767
Dallas, Texas 75219-1767
Stanolind GC B #1 CDP JMorrow

Fred E. Turner
4925 Greenville Avenue
One Energy Square, Suite 852
Dallas, Texas 75206-4079
Stanolind GC B #1 CDP JMorrow

Gibson Family Trust
P.O. Box 769
Arcata, California 95518-0769
Stanolind GC B #1 CDP JMorrow

Gurdon Miller
704 Canyon Crest Drive
Sierra Madre, California 91024-1312
Stanolind GC B #1 CDP JMorrow

Ben R. Howard Estate
Martha Howard Alcorta Ind Exec.
548 Summit Drive
Richardson, Texas 75081
Stanolind GC B #1 CDP JMorrow

Bill L. Bledsoe Trustee
5615 Netherland Court
Dallas, Texas 75229
Stanolind GC B #1 CDP JMorrow

Bonanza Creek Minerals, LLC 2321 Candelaria NW Albuquerque, New Mexico 87107 Stanolind GC B #1 CDP JMorrow

Brian D. Gibson
P.O. Box 22459
Santa Fe, New Mexico 87502
Stanolind GC B #1 CDP JMorrow

Elizabeth H. White Family Trust Linda Payne, Trustee P.O. Box 780099 Dallas, Texas 75378-0099 Stanolind GC B #1 CDP JMorrow

Elizabeth Turner Calloway
P.O. Box 191767
Dallas, Texas 75219-1767
Stanolind GC B #1 CDP JMorrow

Fred E. Turner
4925 Greenville Avenue
One Energy Square, Suite 852
Dallas, Texas 75206-4079
Stanolind GC B #1 CDP JMorrow

Gibson Family Trust
P.O. Box 769
Arcata, California 95518-0769
Stanolind GC B #1 CDP JMorrow

Gurdon Miller
704 Canyon Crest Drive
Sierra Madre, California 91024-1312
Stanolind GC B #1 CDP JMorrow

Ben R. Howard Estate
Martha Howard Alcorta Ind Exec.
548 Summit Drive
Richardson, Texas 75081
Stanolind GC B #1 CDP JMorrow

Bill L. Bledsoe Trustee 5615 Netherland Court Dallas, Texas 75229

Stanolind GC B #1 CDP JMorrow

Bonanza Creek Minerals, LLC 2321 Candelaria NW Albuquerque, New Mexico 87107 Stanolind GC B #1 CDP JMorrow

Brian D. Gibson P.O. Box 22459

Santa Fe, New Mexico 87502 Stanolind GC B #1 CDP JMorrow

Elizabeth H. White Family Trust Linda Payne, Trustee P.O. Box 780099 Dallas, Texas 75378-0099 Stanolind GC B #1 CDP JMorrow

Elizabeth Turner Calloway
P.O. Box 191767
Dallas, Texas 75219-1767
Stanolind GC B #1 CDP JMorrow

Fred E. Turner
4925 Greenville Avenue
One Energy Square, Suite 852
Dallas, Texas 75206-4079
Stanolind GC B #1 CDP JMorrow

Gibson Family Trust
P.O. Box 769
Arcata, California 95518-0769
Stanolind GC B #1 CDP JMorrow

Gurdon Miller
704 Canyon Crest Drive
Sierra Madre, California 91024-1312
Stanolind GC B #1 CDP JMorrow

J. Glenn Turner, Jr. 4809 Cole Avenue, Suite 212 Dallas, Texas 75205

Stanolind GC B #1 CDP JMorrow

John L. Turner
P.O. Box 329
Port Aransas, Texas 78373
Stanolind GC B #1 CDP JMorrow

Mabel Glenn Ham Revoc Trust
Kathlyn Nora Black Trustee
P.O. Box 15040
Santa Fe, New Mexico 87592
Stanolind GC B #1 CDP JMorrow

Mary Frances Turner Junior Trust c/o JP Morgan Chase Bank P.O. Box 99084 Fort Worth, Texas 76199-0084 Stanolind GC B #1 CDP JMorrow

Schultz Management LTD 500 North Akard, Suite 2940 Dallas, Texas 75201-3325 Stanolind GC B #1 CDP JMorrow

William G. Webb Estate
John G. Taylor Ind. Executor
1401 Elm Street, Suite 3435
Dallas, Texas 75202

Stanolind GC B #1 CDP JMorrow

J. Glenn Turner, Jr. 4809 Cole Avenue, Suite 212 Dallas, Texas 75205

Stanolind GC B #1 CDP JMorrow

John L. Turner
P.O. Box 329
Port Aransas, Texas 78373
Stanolind GC B #1 CDP JMorrow

Mabel Glenn Ham Revoc Trust Kathlyn Nora Black Trustee P.O. Box 15040 Santa Fe, New Mexico 87592 Stanolind GC B #1 CDP JMorrow

Mary Frances Turner Junior Trust c/o JP Morgan Chase Bank P.O. Box 99084 Fort Worth, Texas 76199-0084 Stanolind GC B #1 CDP JMorrow

Schultz Management LTD 500 North Akard, Suite 2940 Dallas, Texas 75201-3325 Stanolind GC B #1 CDP JMorrow

William G. Webb Estate
John G. Taylor Ind. Executor
1401 Elm Street, Suite 3435
Dallas, Texas 75202
Stanolind GC B #1 CDP JMorrow

J. Glenn Turner, Jr. 4809 Cole Avenue, Suite 212 Dallas, Texas 75205

Stanolind GC B #1 CDP JMorrow

John L. Turner P.O. Box 329 Port Aransas, Texas 78373

Stanolind GC B #1 CDP JMorrow

Mabel Glenn Ham Revoc Trust Kathlyn Nora Black Trustee P.O. Box 15040 Santa Fe, New Mexico 87592 Stanolind GC B #1 CDP JMorrow

Mary Frances Turner Junior Trust c/o JP Morgan Chase Bank P.O. Box 99084

Fort Worth, Texas 76199-0084
Stanolind GC B #1 CDP JMorrow

Schultz Management LTD 500 North Akard, Suite 2940 Dallas, Texas 75201-3325 Stanolind GC B #1 CDP JMorrow

William G. Webb Estate
John G. Taylor Ind. Executor
1401 Elm Street, Suite 3435
Dallas, Texas 75202
Stanolind GC B #1 CDP JMorrow