

9-26-05 DATE IN	SUSPENSE	Ezeanyim ENGINEER	9-27-05 LOGGED IN	DHC TYPE	PSEM0527036040 APP NO.
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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]

[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 _____

[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.

Print or Type Name

Signature

Title

Date

e-mail Address

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
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

RECEIVED
SEP 26 2005
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-21517
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMM020500
7. Lease Name or Unit Agreement Name: OHIO B McCORD
8. Well Number #1
9. OGRID Number 167067
10. Pool name or Wildcat KUTZ FS / FLUCHER KUTZ PC

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	6. State Oil & Gas Lease No. NMM020500
2. Name of Operator XTO Energy Inc.	7. Lease Name or Unit Agreement Name: OHIO B McCORD
3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401	8. Well Number #1
4. Well Location Unit Letter O : 1090 feet from the SOUTH line and 1790 feet from the EAST line Section 23 Township 28N Range 11W NMPM County SAN JUAN	9. OGRID Number 167067
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5698'	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: **DOWNHOLE COMMINGLE** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

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 requests approval to DHC production from the Kutz Fruitland Sand & Fulcher Kutz Pictured Cliffs pools. These pools are not included in the preapproved pool combinations; hence, a form C107A is attached. Allocations are based upon a 9-section EUR & calculated as follows:

Pictured Cliffs	Water 89%	Gas 89%	Oil 89%
Fruitland Sand	Water 11%	Gas 11%	Oil 11%

Ownership is common in both pools with the WI, NRI & ORRI interest owners. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

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 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 8/24/05
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
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
____ Single Well
____ Establish Pre-Approved Pools
EXISTING WELLBORE
____ Yes ____ No

APPLICATION FOR DOWNHOLE COMMINGLING

XTO ENERGY INC. 2700 FARMINGTON AVENUE, SUITE K-1 FARMINGTON, NM 87401
Operator Address

OHIO B McCORD #1 SEC 23-T28N-R11W UL "O" 1090' FSL & 1790' FEL SAN JUAN COUNTY, NM

Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 167067 Property Code API No. 30-045-21517 Lease Type: ☒ Federal ____ State ____ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	KUTZ FRUITLAND SAND		W KUTZ PICTURED CLIFFS
Pool Code	79600		79680
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1438' & 1448'		1672' 1689'
Method of Production (Flowing or Artificial Lift)			
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	PRODUCING		PRODUCING
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates 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 explanation will be required.)	Oil Gas Water 11% 11 % 11 %	Oil Gas % %	Oil Gas Water 89% 89% 89%

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 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 8/24/05
TYPE OR PRINT NAME HOLLY C PERKINS TELEPHONE NO. (505) 324-1090
E-MAIL ADDRESS Holly_perkins@xtoenergy.com

Well: OHIO B MCCORD No.: 1
 Operator: XTO ENERGY, INC. API: 3E+09
 Township: 28.0N Range: 11W
 Section: 23 Unit: O
 Land Type: F County: San Juan

Year: 2002

Pool Name: FULCHER KUTZ PICTURED CLIFFS (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	900	0	31	0	1011890
February	0	865	0	28	0	1012755
March	0	902	0	31	0	1013657
April	0	894	0	30	0	1014551
May	0	963	0	31	0	1015514
June	0	961	0	30	0	1016475
July	0	897	0	31	0	1017372
August	0	831	0	18	0	1018203
September	0	804	0	27	0	1019007
October	0	929	0	31	0	1019936
November	0	965	0	30	0	1020901
December	0	1071	0	31	0	1021972
Total	0	10982	0	349		

Pool Name: KUTZ FRUITLAND SAND (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	115	0	31	0	1022087
February	0	107	0	28	0	1022194
March	0	121	0	31	0	1022315
April	0	115	0	30	0	1022430
May	0	117	0	31	0	1022547
June	0	104	0	30	0	1022651
July	0	94	0	31	0	1022745
August	0	66	0	18	0	1022811
September	0	116	0	27	0	1022927
October	0	122	0	31	0	1023049
November	0	114	0	30	0	1023163
December	0	96	0	31	0	1023259
Total	0	1287	0	349		

Year: 2003

Pool Name: FULCHER KUTZ PICTURED CLIFFS (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	1060	0	31	0	1024319
February	0	656	0	28	0	1024975
March	0	688	0	30	0	1025663
April	0	513	0	28	0	1026176
May	0	983	0	31	0	1027159
June	0	997	0	30	0	1028156
July	0	979	0	31	0	1029135
August	0	919	0	28	0	1030054
September	0	971	0	30	0	1031025
October	0	1063	0	28	0	1032088

November	0	1178	0	30	0	1033266
December	0	597	0	28	0	1033863
Total	0	10604	0	353		

Pool Name: KUTZ FRUITLAND SAND (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	103	0	29	0	1033966
February	0	98	0	28	0	1034064
March	0	117	0	30	0	1034181
April	0	101	0	28	0	1034282
May	0	123	0	31	0	1034405
June	0	114	0	30	0	1034519
July	0	116	0	31	0	1034635
August	0	114	0	28	0	1034749
September	0	118	0	30	0	1034867
October	0	123	0	28	0	1034990
November	0	118	0	30	0	1035108
December	0	97	0	31	0	1035205
Total	0	1342	0	354		

Year: 2004

Pool Name: FULCHER KUTZ PICTURED CLIFFS (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	1112	0	31	0	1036317
February	0	887	0	29	0	1037204
March	0	916	0	31	0	1038120
April	0	818	0	30	0	1038938
May	0	790	0	31	0	1039728
June	0	734	0	30	0	1040462
July	0	923	0	31	0	1041385
August	0	954	0	31	0	1042339
September	0	1070	0	30	0	1043409
October	0	1216	0	31	0	1044625
November	0	1368	0	30	0	1045993
December	0	1462	0	31	0	1047455
Total	0	12250	0	366		

Pool Name: KUTZ FRUITLAND SAND (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	84	0	31	0	1047539
February	0	57	0	29	0	1047596
March	0	24	0	21	0	1047620
April	0	28	0	25	0	1047648
May	0	10	0	9	0	1047658
June	0	7	0	7	0	1047665
July	0	11	0	10	0	1047676
August	0	10	0	5	0	1047686
September	0	12	0	7	0	1047698
October	0	0	0	31	0	1047698
November	0	11	0	8	0	1047709
December	0	23	0	20	0	1047732
Total	0	277	0	203		

Used year 2003 Production for Allocations due Fruitland Sand logging off in 2004.

	Gas	Water	Oil
Pictured Cliffs	89	89	89
Fruitland Sand	11	11	11

The well produce no water or oil. Allocation for water and oil the same as gas.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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
☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

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

3b. Phone No. (include area code)

505-324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1090' FSL & 1790' FEL SEC 23-T28N-R11W

5. Lease Serial No.

NMNM020500

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

OHIO B McCORD #1

9. API Well No.

30-045-21517

10. Field and Pool, or Exploratory Area

KUTZ FRUITLAND SAND

KUTZ PICTURED CLIFFS

11. County or Parish, State

SAN JUAN

NM

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

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other DOWNHOLECOMMINGLE

13. 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 final site is ready for final inspection.)

XTO Energy Inc. requests approval to downhole commingle production from the Kutz Fruitland Sand (79600) and the Fulcher Kutz Pictured Cliffs (77200). These pools are not included in the preapproved pool combinations; therefore, a form C107A has been included with this application.

Allocations are based upon a 9-section EUR and are calculated as follows:

Pictured Cliffs	Water	89%	Gas	89%	Oil	89%
Fruitland Sand	Water	11%	Gas	11%	Oil	11%

Ownership is common in both pools for this well with the WI, NRI & ORRI interest owners. Therefore, no notice has been sent of our application to DHC. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

HOLLY C. PERKINS

Title

REGULATORY COMPLIANCE TECH

Date

8/24/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

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

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED
REPORT

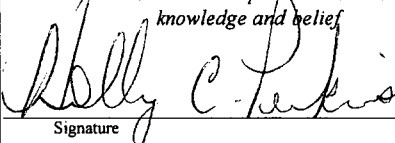
¹ API Number 30-045-21517	² Pool Code 79600 & 77200	³ Pool Name KUTZ FRUITLAND SAND & FULCHER KUTZ PICTURED CLIFFS
⁴ Property Code	⁵ Property Name OHIO B McCORD	⁶ Well Number #1
⁷ OGRID No. 167067	⁸ Operator Name XTO Energy, Inc.	⁹ Elevation 5698'

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	23	28N	11W		1090	SOUTH	1790	EAST	SAN JUAN

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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2 Dedicated Acres 160	3 Joint or Infill	4 Consolidation Code	5 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

				OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature
				HOLLY C. PERKINS Printed Name
				REGULATORY COMPLIANCE TECH Title
				8/24/2005 Date
				SURVEYOR CERTIFICATION <i>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.</i> 5/17/1974 Date of Survey Original Signed by E.V. Echohawk LS
				Certificate Number

Submit 3 Copies To Appropriate District
Office

District I
1625 N. French Dr., Hobbs, NM 87240
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
May 27, 2004

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.)		WELL API NO. 30-045-21517
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator XTO Energy Inc.		6. State Oil & Gas Lease No. NMM020500
3. Address of Operator 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401		7. Lease Name or Unit Agreement Name: OHIO B McCORD
4. Well Location Unit Letter O : 1090 feet from the SOUTH line and 1790 feet from the EAST line Section 23 Township 28N Range 11W NMPM County SAN JUAN		8. Well Number #1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5698'		9. OGRID Number 167067
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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 _____		10. Pool name or Wildcat KUTZ FS / FLOCHER KUTZ PC

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: **DOWNHOLE COMMINGLING** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

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 requests approval to DHC production from the Kutz Fruitland Sand & Fulcher Kutz Pictured Cliffs pools. These pools are not included in the preapproved pool combinations; hence, a form C107A is attached. Allocations are based upon a 9-section EUR & calculated as follows:

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SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 8/24/05
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
1623 N. French Drive, Hobbs, NM 88240

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

District III
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
____ Single Well
____ Establish Pre-Approved Pools
EXISTING WELLBORE
____ Yes ____ No

APPLICATION FOR DOWNHOLE COMMINGLING

XTO ENERGY INC. 2700 FARMINGTON AVENUE, SUITE K-1 FARMINGTON, NM 87401
Operator Address

OHIO B McCORD #1 SEC 23-T28N-R11W UL "O" 1090' FSL & 1790' FEL SAN JUAN COUNTY, NM

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

OGRID No. 167067 Property Code API No. 30-045-21517 Lease Type: ☒ Federal ____ State ____ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	KUTZ FRUITLAND SAND		W KUTZ PICTURED CLIFFS
Pool Code	79600		79680
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1438' & 1448'		1672' 1689'
Method of Production (Flowing or Artificial Lift)			
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	PRODUCING		PRODUCING
Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history, applicant shall be required to attach production estimates 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 explanation will be required.)	Oil Gas Water 11% 11 % 11 %	Oil Gas % %	Oil Gas Water 89% 89% 89%

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 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 8/24/05
TYPE OR PRINT NAME HOLLY C. PERKINS TELEPHONE NO. (505) 324-1090
E-MAIL ADDRESS Holly_perkins@xtoenergy.com

Certificate Number

Well: OHIO B MCCORD No.: 1
 Operator: XTO ENERGY, INC. API: 3E+09
 Township: 28.0N Range: 11W
 Section: 23 Unit: O
 Land Type: F County: San Juan

Year: 2002

Pool Name: FULCHER KUTZ PICTURED CLIFFS (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	900	0	31	0	1011890
February	0	865	0	28	0	1012755
March	0	902	0	31	0	1013657
April	0	894	0	30	0	1014551
May	0	963	0	31	0	1015514
June	0	961	0	30	0	1016475
July	0	897	0	31	0	1017372
August	0	831	0	18	0	1018203
September	0	804	0	27	0	1019007
October	0	929	0	31	0	1019936
November	0	965	0	30	0	1020901
December	0	1071	0	31	0	1021972
Total	0	10982	0	349		

Pool Name: KUTZ FRUITLAND SAND (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	115	0	31	0	1022087
February	0	107	0	28	0	1022194
March	0	121	0	31	0	1022315
April	0	115	0	30	0	1022430
May	0	117	0	31	0	1022547
June	0	104	0	30	0	1022651
July	0	94	0	31	0	1022745
August	0	66	0	18	0	1022811
September	0	116	0	27	0	1022927
October	0	122	0	31	0	1023049
November	0	114	0	30	0	1023163
December	0	96	0	31	0	1023259
Total	0	1287	0	349		

Year: 2003

Pool Name: FULCHER KUTZ PICTURED CLIFFS (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	1060	0	31	0	1024319
February	0	656	0	28	0	1024975
March	0	688	0	30	0	1025663
April	0	513	0	28	0	1026176
May	0	983	0	31	0	1027159
June	0	997	0	30	0	1028156
July	0	979	0	31	0	1029135
August	0	919	0	28	0	1030054
September	0	971	0	30	0	1031025
October	0	1063	0	28	0	1032088

November	0	1178	0	30	0	1033266
December	0	597	0	28	0	1033863
Total	0	10604	0	353		

Pool Name: KUTZ FRUITLAND SAND (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	103	0	29	0	1033966
February	0	98	0	28	0	1034064
March	0	117	0	30	0	1034181
April	0	101	0	28	0	1034282
May	0	123	0	31	0	1034405
June	0	114	0	30	0	1034519
July	0	116	0	31	0	1034635
August	0	114	0	28	0	1034749
September	0	118	0	30	0	1034867
October	0	123	0	28	0	1034990
November	0	118	0	30	0	1035108
December	0	97	0	31	0	1035205
Total	0	1342	0	354		

Year: 2004

Pool Name: FULCHER KUTZ PICTURED CLIFFS (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	1112	0	31	0	1036317
February	0	887	0	29	0	1037204
March	0	916	0	31	0	1038120
April	0	818	0	30	0	1038938
May	0	790	0	31	0	1039728
June	0	734	0	30	0	1040462
July	0	923	0	31	0	1041385
August	0	954	0	31	0	1042339
September	0	1070	0	30	0	1043409
October	0	1216	0	31	0	1044625
November	0	1368	0	30	0	1045993
December	0	1462	0	31	0	1047455
Total	0	12250	0	366		

Pool Name: KUTZ FRUITLAND SAND (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	84	0	31	0	1047539
February	0	57	0	29	0	1047596
March	0	24	0	21	0	1047620
April	0	28	0	25	0	1047648
May	0	10	0	9	0	1047658
June	0	7	0	7	0	1047665
July	0	11	0	10	0	1047676
August	0	10	0	5	0	1047686
September	0	12	0	7	0	1047698
October	0	0	0	31	0	1047698
November	0	11	0	8	0	1047709
December	0	23	0	20	0	1047732
Total	0	277	0	203		

Used year 2003 Production for Allocations due Fruitland Sand logging off in 2004.

	Gas	Water	Oil
Pictured Cliffs	89	89	89
Fruitland Sand	11	11	11

The well produce no water or oil. Allocation for water and oil the same as gas.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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
☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

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

3b. Phone No. (include area code)

505-324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1090' FSL & 1790' FEL SEC 23-T28N-R11W

5. Lease Serial No.

NMNM020500

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

OHIO B McCORD #1

9. API Well No.

30-045-21517

10. Field and Pool, or Exploratory Area

KUTZ FRUITLAND SAND

KUTZ PICTURED CLIFFS

11. County or Parish, State

SAN JUAN

NM

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

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other DOWNHOLECOMMINGLE

13. 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 final site is ready for final inspection.)

XTO Energy Inc. requests approval to downhole commingle production from the Kutz Fruitland Sand (79600) and the Fulcher Kutz Pictured Cliffs (77200). These pools are not included in the preapproved pool combinations; therefore, a form C107A has been included with this application.

Allocations are based upon a 9-section EUR and are calculated as follows:

Pictured Cliffs	Water	89%	Gas	89%	Oil	89%
Fruitland Sand	Water	11%	Gas	11%	Oil	11%

Ownership is common in both pools for this well with the WI, NRI & ORRI interest owners. Therefore, no notice has been sent of our application to DHC. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

HOLLY C. PERKINS

Title

REGULATORY COMPLIANCE TECH

Date

8/24/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

Submit 3 Copies To Appropriate District
Office

District I
1625 N. French Dr., Hobbs, NM 87240
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
May 27, 2004

WELL API NO. 30-045-21517
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMM020500
7. Lease Name or Unit Agreement Name: OHIO B McCORD
8. Well Number #1
9. OGRID Number 167067
10. Pool name or Wildcat KUTZ FS / FLOCHER KUTZ PC

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	7. Lease Name or Unit Agreement Name: OHIO B McCORD
2. Name of Operator XTO Energy Inc.	8. Well Number #1
3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401	9. OGRID Number 167067
4. Well Location Unit Letter O : 1090 feet from the SOUTH line and 1790 feet from the EAST line Section 23 Township 28N Range 11W NMPM County SAN JUAN	10. Pool name or Wildcat KUTZ FS / FLOCHER KUTZ PC
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5698'	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: **DOWNHOLE COMMINGLE** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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 requests approval to DHC production from the Kutz Fruitland Sand & Fulcher Kutz Pictured Cliffs pools. These pools are not included in the preapproved pool combinations; hence, a form C107A is attached. Allocations are based upon a 9-section EUR & calculated as follows:

Pictured Cliffs	Water 89%	Gas 89%	Oil 89%
Fruitland Sand	Water 11%	Gas 11%	Oil 11%

Ownership is common in both pools with the WI, NRI & ORRI interest owners. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

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 NMOC guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 8/24/05
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
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
____ Single Well
____ Establish Pre-Approved Pools
EXISTING WELLBORE
____ Yes ____ No

APPLICATION FOR DOWNHOLE COMMINGLING

XTO ENERGY INC. 2700 FARMINGTON AVENUE, SUITE K-1 FARMINGTON, NM 87401
Operator Address

OHIO B McCORD #1 SEC 23-T28N-R11W UL "O" 1090' FSL & 1790' FEL SAN JUAN COUNTY, NM

Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 167067 Property Code API No. 30-045-21517 Lease Type: ☒ Federal ____ State ____ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	KUTZ FRUITLAND SAND		W KUTZ PICTURED CLIFFS
Pool Code	79600		79680
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1438' & 1448'		1672' 1689'
Method of Production (Flowing or Artificial Lift)			
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	PRODUCING		PRODUCING
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates 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 explanation will be required.)	Oil Gas Water 11% 11 % 11 %	Oil Gas % %	Oil Gas Water 89% 89% 89%

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 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 8/24/05
TYPE OR PRINT NAME HOLLY C. PERKINS TELEPHONE NO. (505) 324-1090
E-MAIL ADDRESS Holly_perkins@xtoenergy.com

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, 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 & Natural Resources Department

Form C-102
Revised August 15, 2000

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

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED
REPORT

¹ API Number 30-045-21517	² Pool Code 79600 & 77200	³ Pool Name KUTZ FRUITLAND SAND & FULCHER KUTZ PICTURED CLIFFS
⁴ Property Code	⁵ Property Name OHIO B McCORD	⁶ Well Number #1
⁷ OGRID No. 167067	⁸ Operator Name XTO Energy, Inc.	⁹ Elevation 5698'

¹⁰ Surface Location

UL or lot no. O	Section 23	Township 28N	Range 11W	Lot Idn	Feet from the 1090	North/South line SOUTH	Feet from the 1790	East/West line EAST	County SAN JUAN
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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
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¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

		23	
			1790'
		1090'	

OPERATOR CERTIFICATION

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

Holly C. Perkins
Signature

HOLLY C. PERKINS

Printed Name

REGULATORY COMPLIANCE TECH

Title

8/24/2005

Date

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.

5/17/1974

Date of Survey

Original Signed by E.V. Echohawk LS

Certificate Number

Well: OHIO B MCCORD No.: 1
 Operator: XTO ENERGY, INC. API: 3E+09
 Township: 28.0N Range: 11W
 Section: 23 Unit: O
 Land Type: F County: San Juan

Year: 2002

Pool Name: FULCHER KUTZ PICTURED CLIFFS (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	900	0	31	0	1011890
February	0	865	0	28	0	1012755
March	0	902	0	31	0	1013657
April	0	894	0	30	0	1014551
May	0	963	0	31	0	1015514
June	0	961	0	30	0	1016475
July	0	897	0	31	0	1017372
August	0	831	0	18	0	1018203
September	0	804	0	27	0	1019007
October	0	929	0	31	0	1019936
November	0	965	0	30	0	1020901
December	0	1071	0	31	0	1021972
Total	0	10982	0	349		

Pool Name: KUTZ FRUITLAND SAND (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	115	0	31	0	1022087
February	0	107	0	28	0	1022194
March	0	121	0	31	0	1022315
April	0	115	0	30	0	1022430
May	0	117	0	31	0	1022547
June	0	104	0	30	0	1022651
July	0	94	0	31	0	1022745
August	0	66	0	18	0	1022811
September	0	116	0	27	0	1022927
October	0	122	0	31	0	1023049
November	0	114	0	30	0	1023163
December	0	96	0	31	0	1023259
Total	0	1287	0	349		

Year: 2003

Pool Name: FULCHER KUTZ PICTURED CLIFFS (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
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February	0	656	0	28	0	1024975
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July	0	979	0	31	0	1029135
August	0	919	0	28	0	1030054
September	0	971	0	30	0	1031025
October	0	1063	0	28	0	1032088

November	0	1178	0	30	0	1033266
December	0	597	0	28	0	1033863
Total	0	10604	0	353		

Pool Name: KUTZ FRUITLAND SAND (GAS)

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February	0	98	0	28	0	1034064
March	0	117	0	30	0	1034181
April	0	101	0	28	0	1034282
May	0	123	0	31	0	1034405
June	0	114	0	30	0	1034519
July	0	116	0	31	0	1034635
August	0	114	0	28	0	1034749
September	0	118	0	30	0	1034867
October	0	123	0	28	0	1034990
November	0	118	0	30	0	1035108
December	0	97	0	31	0	1035205
Total	0	1342	0	354		

Year: 2004

Pool Name: FULCHER KUTZ PICTURED CLIFFS (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
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February	0	887	0	29	0	1037204
March	0	916	0	31	0	1038120
April	0	818	0	30	0	1038938
May	0	790	0	31	0	1039728
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Pool Name: KUTZ FRUITLAND SAND (GAS)

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Prod	Accum. Oil	Accum. Gas(MCF)
January	0	84	0	31	0	1047539
February	0	57	0	29	0	1047596
March	0	24	0	21	0	1047620
April	0	28	0	25	0	1047648
May	0	10	0	9	0	1047658
June	0	7	0	7	0	1047665
July	0	11	0	10	0	1047676
August	0	10	0	5	0	1047686
September	0	12	0	7	0	1047698
October	0	0	0	31	0	1047698
November	0	11	0	8	0	1047709
December	0	23	0	20	0	1047732
Total	0	277	0	203		

Used year 2003 Production for Allocations due Fruitland Sand logging off in 2004.

	Gas	Water	Oil
Pictured Cliffs	89	89	89
Fruitland Sand	11	11	11

The well produce no water or oil. Allocation for water and oil the same as gas.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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 type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Lease Serial No. NMM020500
2. Name of Operator XTO Energy Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 2700 Farmington Ave., Bldg. K, Ste 1 Farmington,	3b. Phone No. (include area code) 505-324-1090	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1090' FSL & 1790' FEL SEC 23-T28N-R11W		8. Well Name and No. OHIO B McCORD #1
		9. API Well No. 30-045-21517
		10. Field and Pool, or Exploratory Area KUTZ FRUITLAND SAND KUTZ PICTURED CLIFFS
		11. County or Parish, State SAN JUAN NM

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 DOWNHOLE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	COMMINGLE
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. 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 final site is ready for final inspection.)

XTO Energy Inc. requests approval to downhole commingle production from the Kutz Fruitland Sand (79600) and the Fulcher Kutz Pictured Cliffs (77200). These pools are not included in the preapproved pool combinations; therefore, a form C107A has been included with this application.

Allocations are based upon a 9-section EUR and are calculated as follows:

Pictured Cliffs	Water	89%	Gas	89%	Oil	89%
Fruitland Sand	Water	11%	Gas	11%	Oil	11%

Ownership is common in both pools for this well with the WI, NRI & ORRI interest owners. Therefore, no notice has been sent of our application to DHC. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

HOLLY C. PERKINS

Title

REGULATORY COMPLIANCE TECH

Date **8/24/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.