

DATE IN 6/5/06	SUSPENSE 6/29/06	ENGINEER Will Jones	LOGGED IN 6/5/06	TYPE DHC	APP NO. PTDSOL 15165 9394
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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			



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

2006 JUN 5 PM 2 24

May 30, 2006

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

Subject: Application for Exception to Rule 303A
Downhole Commingle
RP Hargrave K #1G
30-045-33478 Unit H Sec 16-T27N- R10W
Basin Dakota and Wildcat Basin Mancos
SF077382; San Juan, NM

Dear Mr. Jones:

Enclosed please find an administrative application form (C107A) and attachments for downhole commingling for the captioned well. By copy of this application by certified mail, return receipt requested, XTO has notified all offset operators in the formations captioned above as well as all affected interest owners. The Division Director may approve the proposed downhole commingling in the absence of any valid objections from any offset operator or any interest owners within 20 days after the receipt of the application if, in his opinion, waste will not result thereby, and correlative rights will not be violated.

If you have any questions pertaining to this matter, please call me at (505) 324-1090.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lorri D. Bingham', written over a horizontal line.

Lorri D. Bingham
Regulatory Compliance Tech

xc: Wellfile
BLM, Farmington Field Office

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

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

WELL API NO. 30-045-33448
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: RP HARGRAVE K
8. Well Number 1G
9. OGRID Number 167067
10. Pool name or Wildcat BASIN DAKOTA/WILDCAT BASIN MANCOS

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
XTO Energy Inc.

3. Address of Operator
2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

4. Well Location
 Unit Letter **D**; **1055** feet from the **NORTH** line and **730** feet from the **WEST** line
 Section **16** Township **27N** Range **10W** NMPM County **SAN JUAN**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6014' GR

Pit or Below-grade Tank Application or Closure

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

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

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

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 Inc. is requesting approval to downhole commingle product fr/the Basin Dakota & the Wildcat Basin Mancos in the RP Hargrave K #1G. XTO Energy will DHC upon completion of the well. Allocations are based on a 9-section EUR & calculated as follows:

Gas: DK 87% MC 13% Water: DK 93% MC 7% Oil: DK 85% MC 15%

All interest owners were notified by certified, return receipt mail on 4/27/06. DHC will offer an economical method for 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 NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan

SIGNATURE *Lorri D. Bingham* TITLE REGULATORY COMPLIANCE TECH DATE 5/30/06
 E-mail address: Regulatory@xtoenergy.com
 Type or print name LORRI D. BINGHAM Telephone No. 505-324-1090

For State Use Only

APPROVED BY _____ TITLE _____ DATE _____

Conditions of Approval, if any:

State of New Mexico
Energy, Minerals and Natural Resources

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

DHC-3728

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

XTO Energy Inc. 2700 Farmington Ave., Bldg.K.Ste 1 Farmington, NM 87401
Operator Address

R. P. HARGRAVE K 1G "H" SEC 16 T27N R10W SAN JUAN
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 167067 Property Code 22632 API No. 30-045-33478 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<u>WC</u> WILDCAT BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5521' - 5767'		6245' - 6474'
Method of Production (Flowing or Artificial Life)	F		F
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	NEW		NEW
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: 15 % Gas: 13 %	Oil: % Gas: %	Oil: 85 % Gas: 87 %

Are all working, overriding, and royalty interests identical in all commingled zones? Yes No
If not, have all working, overriding, and royalty interests 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 all offset operators.
 - Notification list of working, overriding, and royalty interests for uncommon interest cases.
 - Any additional statements, data, or documents required to support commingling.

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 Lorri D. Bingham TITLE REGULATORY COMP TECH DATE 5/30/06

TYPE OR PRINT NAME LORRI D. BINGHAM TELEPHONE NO. (505) 324-1090

E-MAIL REGULATORY@XTOENERGY.COM

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

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

DISTRICT III
1000 N. 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 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

[] AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number	*Pool Code	*Pool Name
	72319	Blanco Mesaverde
*Property Code	*Property Name	*Well Number
	R P HARGRAVE K	1G
*OGRID No.	*Operator Name	*Elevation
167067	XTO ENERGY INC.	5014'

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
D	16	27-N	10-W		1055	NORTH	730	WEST	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

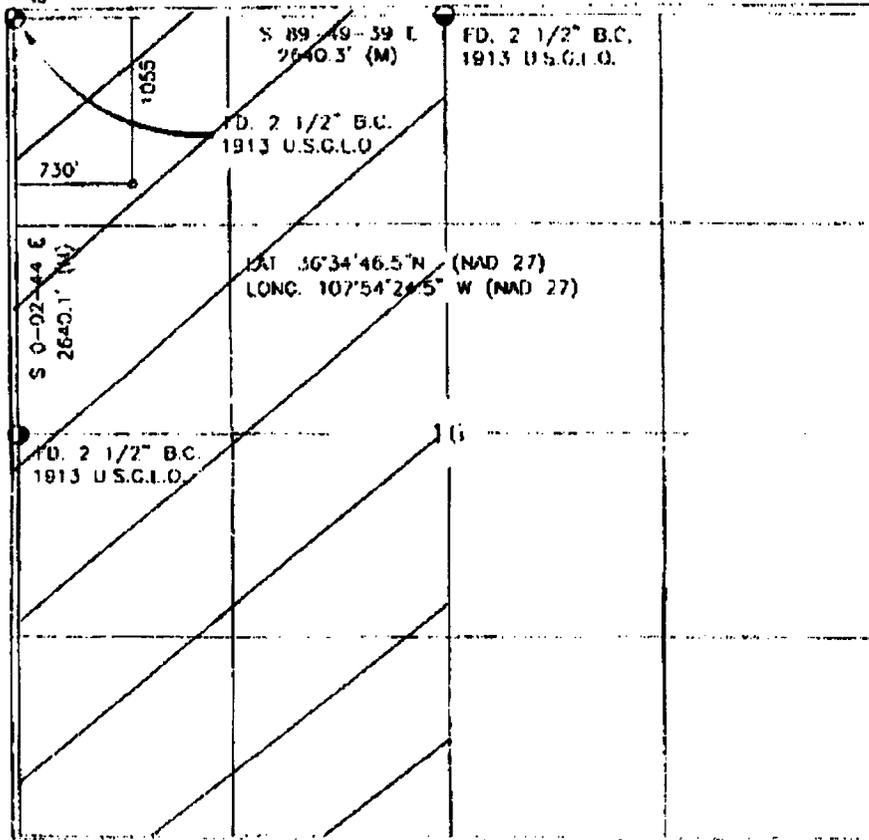
*Dedicated Acres: wla 320.00

**Joint or Infill

**Consolidation Code

**Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

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

Signature: *Joseph K. Small*

Printed Name: *Joseph K. Small*

Title: *Regulatory Compliance Tech*

Date: *8/10/05*

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: _____

Signature and Title of Registered Surveyor: _____

JOHN VUKOBRAVIC
REGISTERED PROFESSIONAL SURVEYOR
NEW MEXICO
14931

Certificate Number: _____

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

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

DISTRICT III
1000 1/2 Brazos Pk., Artec, N.M. 87413

DISTRICT IV
7220 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 87505

Form C-102
Revised June 10, 2003

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

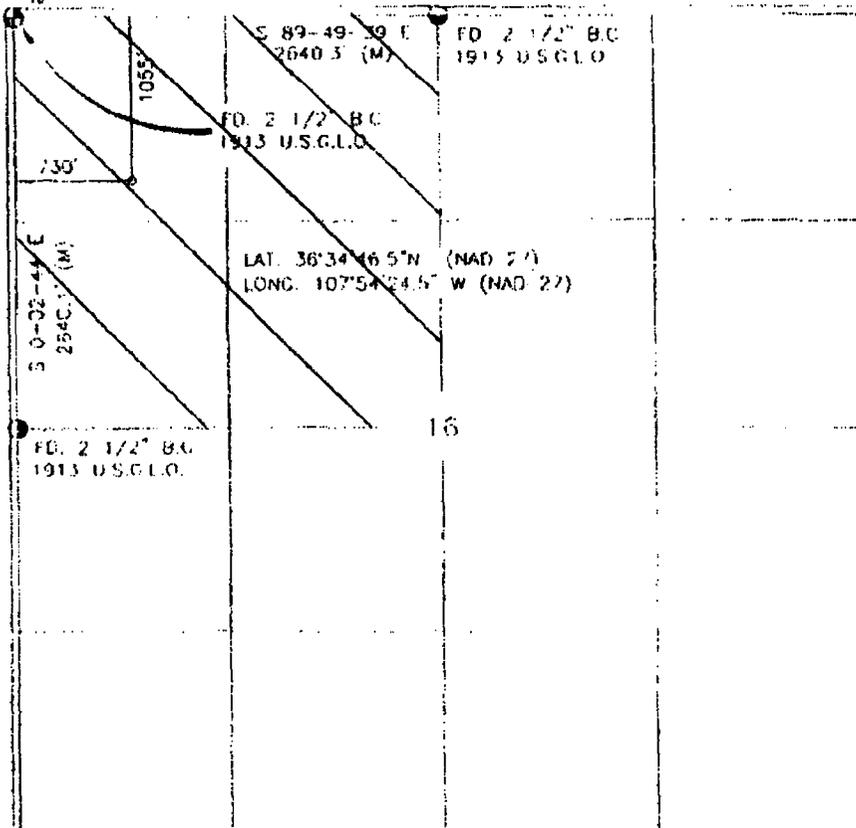
*API Number		*Pool Code 97232		*Pool Name Basin Manios	
*Property Code		*Property Name R. P. HARGRAVE K		*Well Number 1C	
*GRID No. 167067		*Operator Name X'D ENERGY INC.		*Elevation 6014'	

10 Surface Location									
UT or lot no.	Section	Township	Range	Lot no.	Feet from the	North/South line	Feet from the	East/West line	County
D	16	27-N	10-W		1055	NORTH	730	WEST	SAN JUAN

11 Bottom Hole location if different from surface									
UT or lot no.	Section	Township	Range	Lot no.	Feet from the	North/South line	Feet from the	East/West line	County

**Dedicated Acres: NW 1/4 160

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: Kelly L. Sprague
Printed Name: Kelly L. Sprague
Title: Regulatory Compliance Tech
Date: 12/15/05

2005 DEC 20 09 070 FAX

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: 12/15/05

Signature and Seal of Professional Surveyor: [Seal of John A. Vikomans, New Mexico, License No. 14881]

Certificate Number: [Blank]

Decimal Totals:

.000000000 .000000000

XTO ENERGY INC.
Division Of Interest Report
3/10/06

Download file CTPUNIT member DOIF151605

Company 100 HARGRAVE, RP K 1G DK	Type W	I.D. # 68348 7	Prod 7	Group# 01	DOI Description ENTITLEMENT DECK	Working Dec.	Royalty Dec.	Interest Type	Suspense Code	Sev Exemp
Number	Owner Name	Type								

2834	RICHARD PAUL HARGRAVE TRUST	O				.015000000		O		
746082945	FROST NAIL BK, AGENT A/C G03200 U.S. NAIL BK, TRUST OIL & GAS P.O. BOX 1600 SAN ANTONIO									
	TX									

30831	TRUE OIL LLC	O				.029925000		W		
830176199	PO DRAWER 2360 CASPER									
	WY									

88912	MMS XTO FEDERAL C/O XTO ENERGY INC 810 HOUSTON STREET FORT WORTH	O				.093750000		R		Y
	TX									

99985	XTO ENERGY INC. 810 HOUSTON STREET FORT WORTH	I				.611325000		W		
752347769										
	TX									

99999	DELETED OWNER	D				.250000000		W		
000000000										
	XX									

Decimal Totals:

.000000000 1.000000000

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF077382
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) 1055' FNL & 730' FWL, D, SEC 16, T27N, R10W		8. Well Name and No. RP HARGRAVE K #1G
		9. API Well No. 30-045-33448
		10. Field and Pool, or Exploratory Area Basin Dakota/ Wildcat Basin Mancos
		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 <u>DOWNHOLE</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>COMMINGLE</u>
	<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 recompleate 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 recompleation 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. is requesting an administrative approval for an exemption to rule 303-C to permit downhole commingling of production from the Basin Dakota pool (71599) and the Wildcat Basin Mancos pool (97232). XTO proposes to downhole commingle these pools upon completion of the well. The proposed allocations are based on an individual pool average production of wells located in a nine-section surrounding area. Based upon the average production, XTO proposes to allocate the commingled production as follows:

Basin Dakota	Gas: 87%	Water: 93%	Oil: 85%
Wildcat Basin Mancos	Gas: 13%	Water: 7%	Oil: 15%

Ownership in this well's pools is not common and notification by certified, return receipt mail to WI, ORRI, NRI owners was completed on 4/27/06. There have been no objections of our intention to DHC this well. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves and protection of correlative rights.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) LORRI D. BINGHAM	Title REGULATORY COMPLIANCE TECH
	Date 5/30/06

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	