

06. June. 07

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D. Catanaeh

07. June. 07

NSL

pCLP0715835478

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1020 South St. Francis Drive, Santa Fe, NM 87505



5641

ADMINISTRATIVE APPLICATION CHECKLIST

FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS
 WHICH ARE BEING 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]

TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☒ NSL ☐ NSP ☐ SD

[B] or [C] - 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 _____

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

(Bureau of Land Management or the Secretary of the Interior, State Land Office)

[E] For all of the above, Proof of Notification or Publication is Attached, and or:

[F] Answers are Attached

LEAVE ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

CERTIFICATION: I hereby certify that the information submitted with this application for administrative review is complete and correct to the best of my knowledge. I also understand that no action will be taken on this application until the information is submitted to the Division.

Signature: _____ Date: _____



June 5, 2007

2007 JUN 6 PM 12 13

FEDERAL EXPRESS

Mr. Mark Fesmire
New Mexico Oil Conservation Division
1220 S St Francis Dr
Santa Fe NM 87504

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Fullerton Federal 14 No. 1
1,105' FNL and 1,115' FEL, Section 14, T27N, R11W
San Juan County, New Mexico
Gallup Formation

5380

Dear Mr. Fesmire:

XTO Energy Inc. (XTO) 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. Aerial Photograph
4. Gallup Ownership Map
5. Gallup Production Map

The Fullerton Federal 14 No. 1 Well was drilled and completed by Markwest Resources, Inc. as a Basin Dakota Well in April of 2002. Markwest Resources, Inc. added the South Kutz Gallup in January of 2003 and the well was downhole commingled. XTO assumed operations in June of 2003. It has recently come to XTO's attention that the Gallup Formation was not being reported, although it is in fact, producing. In the process of correcting this oversight, XTO discovered the Gallup Formation was located at a non-standard location. The spacing unit dedicated to the Gallup Formation is the N/2NE/4, being comprised of 80 acres. At the above location of 1,105' FNL and 1,115' FEL, the Gallup formation is non-standard 115' to the south.

XTO owns 100% of the offsetting operating rights in the Gallup Formation to the south, so no offset owner notice is required. Taking this into account, in addition to the fact that the above mentioned oversights were made by our predecessor, XTO Energy Inc. requests your administrative approval for the unorthodox location. Should you need any additional information, please contact me at (817) 885-3091.

*Mr. Mark Fesmire
New Mexico Oil Conservation Division
Fullerton Federal 14 No. 1
June 5, 2007
Page Two*

Yours truly,

A handwritten signature in black ink, appearing to read "Ryan O'Kelley". The signature is stylized with a large, looped "R" and a distinct "K".

Ryan O'Kelley
Associate Landman

Enclosures

District II
1301 W. Grand Avenue, Arreda, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87504

Energy, Minerals & Natural Resources Department

P. 02/02

Revised August 15, 2000

1220 South 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 30-045-30855 45-30855		² Pool Code 71629	³ Pool Name SOUTH KUTZ GALLUP
⁴ Property Code	⁵ Property Name FULLERTON FEDERAL 37-H 14		⁶ Well Number 7 144
⁷ OGRID No. 193195	⁸ Operator Name MARK WEST RESOURCES, INC.		⁹ Elevation 6142'

UL or lot no. A	Section 14	Township 27N	Range 11W	Lot Idn	Feet from the 1105'	North/South line NORTH	Feet from the 1115'	East/West line EAST	County SAN JUAN
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U/L or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
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13 Dedication Acres 320 N/Z	14 Joint or Infirm	15 Consolidation Code	16 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

16	1105' 1115'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>[Signature]</i> Signature
APR 2003	1105' 1115'	CINDY THISE Printed Name PROD. & ENV. COORDINATOR Title January 7, 2003 Date:
APR 2003	1105' 1115'	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 name is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

HOLD C104 FOR NSL in Kut2 9/1/01 South



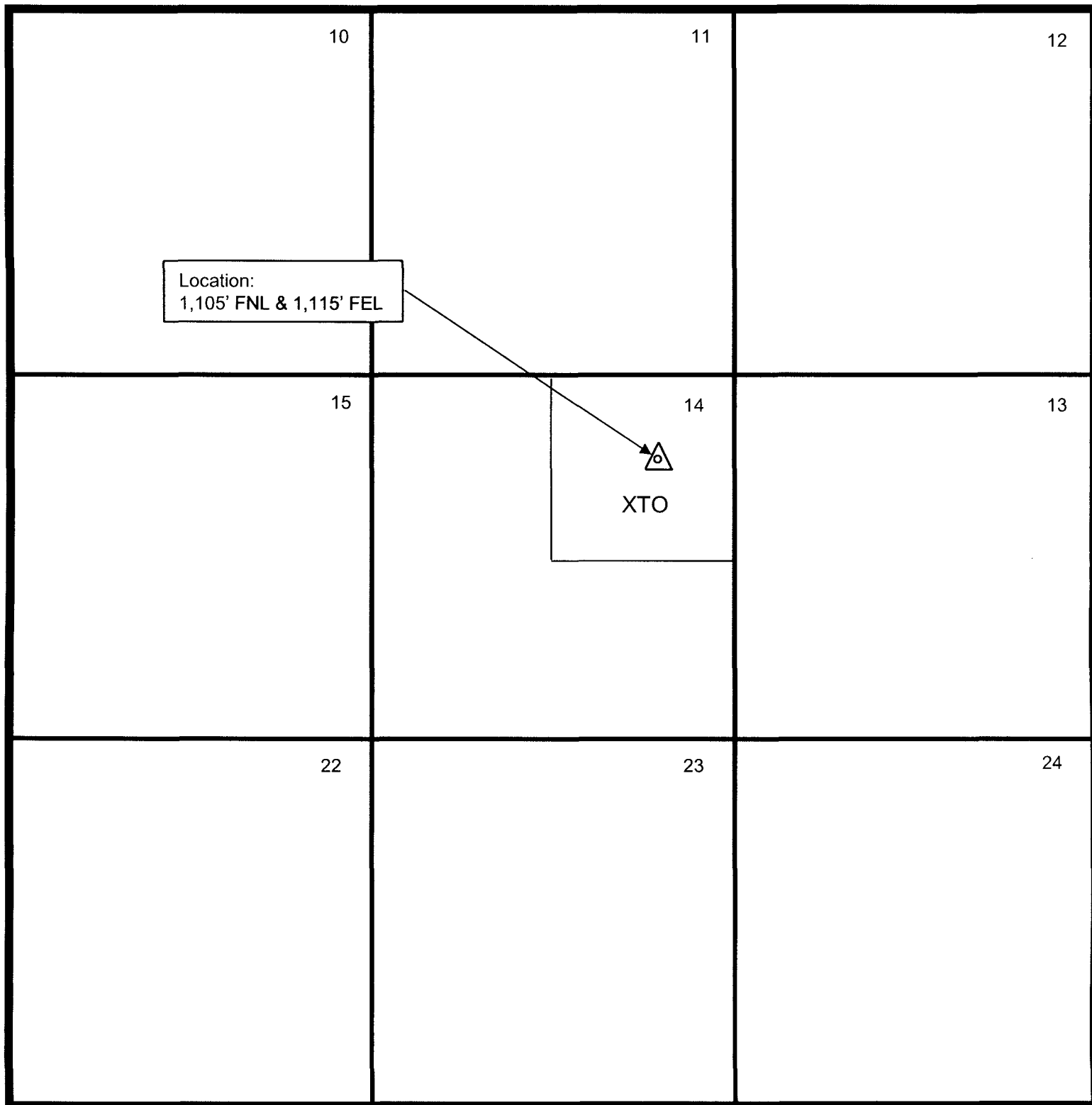
SECTION PLAT OF 9 SQUARE MILES

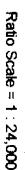
STATE: New Mexico COUNTY: San Juan

PROSPECT: Fullerton Federal 14 No. 1 DATE: June 5, 2007

SECTION: 14 TOWNSHIP: 27 North RANGE: 11 West

SCALE: 1'=2000'





SEC 14 T27N R115W

SAN JUAN BASIN

CUM PROD @ 12/2006

San Juan County, NM

Ratio Scale = 1 : 24,000

[illegible]

FEEET

POSTED WELL DATA

Well Label

● PdCu

FROM DATE-TO

FACULTY - FEMINAVIA

ATTRIBUTION MAP

ington
land Sand

Red Cliffs

averde

data

9

WELL SYMBOLS

Gas Well

Abandoned Oil Well

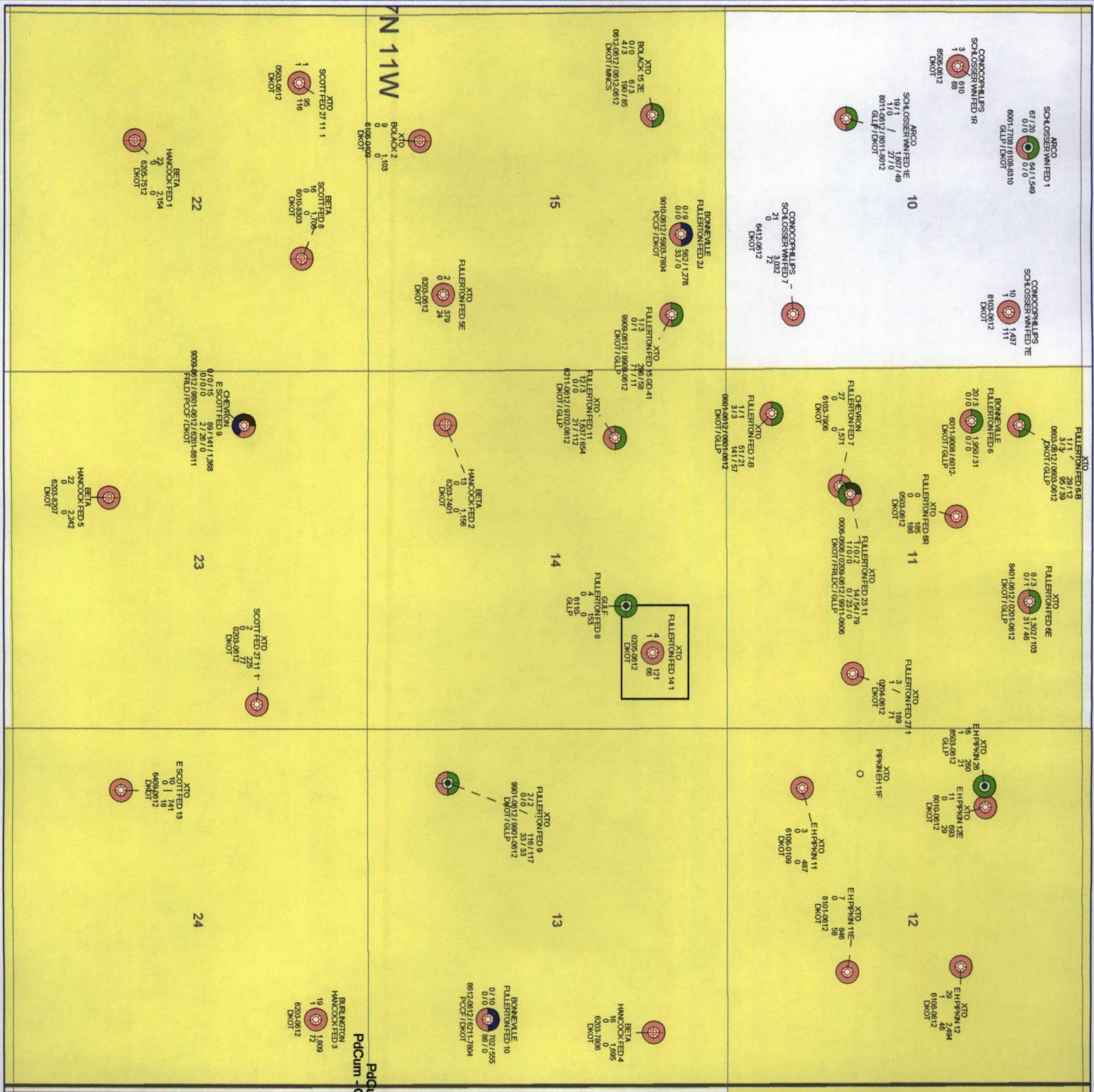
Location

REMARKS

+

By: Jane Foster

MAY 3, 2001



XTO ENERGY INC.

SEC 14 T27N R115W

SAN JUAN BASIN

CUM PROD @ 12/2006

San Juan County, NM

Ratio Scale = 1 : 24,000

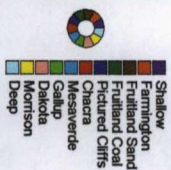


POSTED WELL DATA

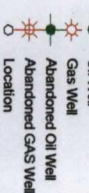
Operator
Well Label

PdCum - CUMQIL, MBLS
PdCum - CUMGAS, A
PdCum - OLTRATE YTD, BBL/D
PdCum - GASRATE
PdCum - FROM DATE-TO DATE
PdCum - FINNAME

ATTRIBUTE MAP



WELL SYMBOLS



REMARKS

Datata/Gallup Producers

By: Jane Foster

May 9, 2007