

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  
 [F]  Waivers are Attached

RECEIVED  
 2007 DEC 7 PM 3:09

[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.

<u>Holly C. Perkins</u> Print or Type Name	<u>Holly C. Perkins</u> Signature	<u>Regulatory Compliance Tech</u> Title	<u>12-3-07</u> Date
		<u>Holly_perkins@xtoenergy.com</u> e-mail Address	

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

State of New Mexico  
Energy, Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-107A  
Revised June 10, 2003

APPLICATION TYPE

Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING

*JHC-3975*  
AZTEC, NM 87410

Operator XTO ENERGY INC. Address 382 CR 3100

Lease FULLERTON FEDERAL Well No. 5F Unit Letter-Section-Township-Range J 15 27N 11W County SAN JUAN

OGRID No. 5380 Property Code \_\_\_\_\_ API No. 30-045-34124 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<u>WILDCAT BASIN MANGOS</u>		<u>BASIN DAKOTA</u>
Pool Code	<u>97232</u>		<u>71599</u>
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	<u>5602' - 6443'</u>		<u>6528' - 6812'</u>
Method of Production (Flowing or Artificial Life)	<u>FLOWING</u>		<u>FLOWING</u>
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)	<u>NEW DRILL</u>		<u>NEW DRILL</u>
Producing, Shut-In or New Zone	<u>NEW DRILL</u>		<u>NEW DRILL</u>
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: <u>62%</u> % Gas: <u>25%</u> %	Oil: _____ % Gas: _____ %	Oil: <u>38%</u> % Gas: <u>75%</u> %

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 Holly C. Perkins TITLE REGULATORY COMPLIANCE TEC DATE 9/17/2007

TYPE OR PRINT NAME HOLLY C. PERKINS TELEPHONE NO. ( 505 ) 333-3100

E-MAIL holly\_perkins@ctoenergy.com

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. 30-045-34124
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: FULLERTON FEDERAL
8. Well Number 5F
9. OGRID Number 5380
10. Pool name or Wildcat BASIN DAKOTA / WC 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  
 382 CR 3100 AZTEC, NM 87410 (505) 333-3100

4. Well Location  
 Unit Letter J : 1960 feet from the SOUTH line and 1970 feet from the EAST line  
 Section 15 Township 27N Range 11W NMPM 6TH County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 6326' 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 proposes to DHC production from the Basin DK (71599) & the WC Basin Mancos (97232) upon completion of the well. The proposed gas & oil allocations are based on estimated average ultimate recovery per well of the 8 Dakota & 9 Gallup wells in T27N-R11W. Water alloc is based on EUR water production per well. See attached DK/GP EUR analysis.  
 Dakota: Gas 75% Oil 38% Water 58% Mancos: Gas 25% Oil 62% Water 42%  
 Ownership is diverse between pools and notice was sent on 9/17/2007 via certified, return-receipt US mail. The DHC will offer an economical method of production and protect against reservoir damage, waste of reserves & protect correlative rights. The BLM was notified of XTO's intent to DHC on 9/17/2007.

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 Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 9/17/2007  
 E-mail address: holly\_perkins@xtoenergy.com Telephone No. 505-324-1090  
 Type or print name HOLLY C. PERKINS

or State Use Only

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval, if any:

DISTRICT I  
1825 N. French Dr., Hobbs, N.M. 88240

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

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

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

Form C-102  
Revised October 12, 2005

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-34124		<sup>2</sup> Pool Code 97232	<sup>3</sup> Pool Name Basin mancos
<sup>4</sup> Property Code	<sup>5</sup> Property Name FULLERTON FEDERAL		<sup>6</sup> Well Number 5F
<sup>7</sup> ORD No. 5380	<sup>8</sup> Operator Name XTO ENERGY INC.		<sup>9</sup> Elevation 6326

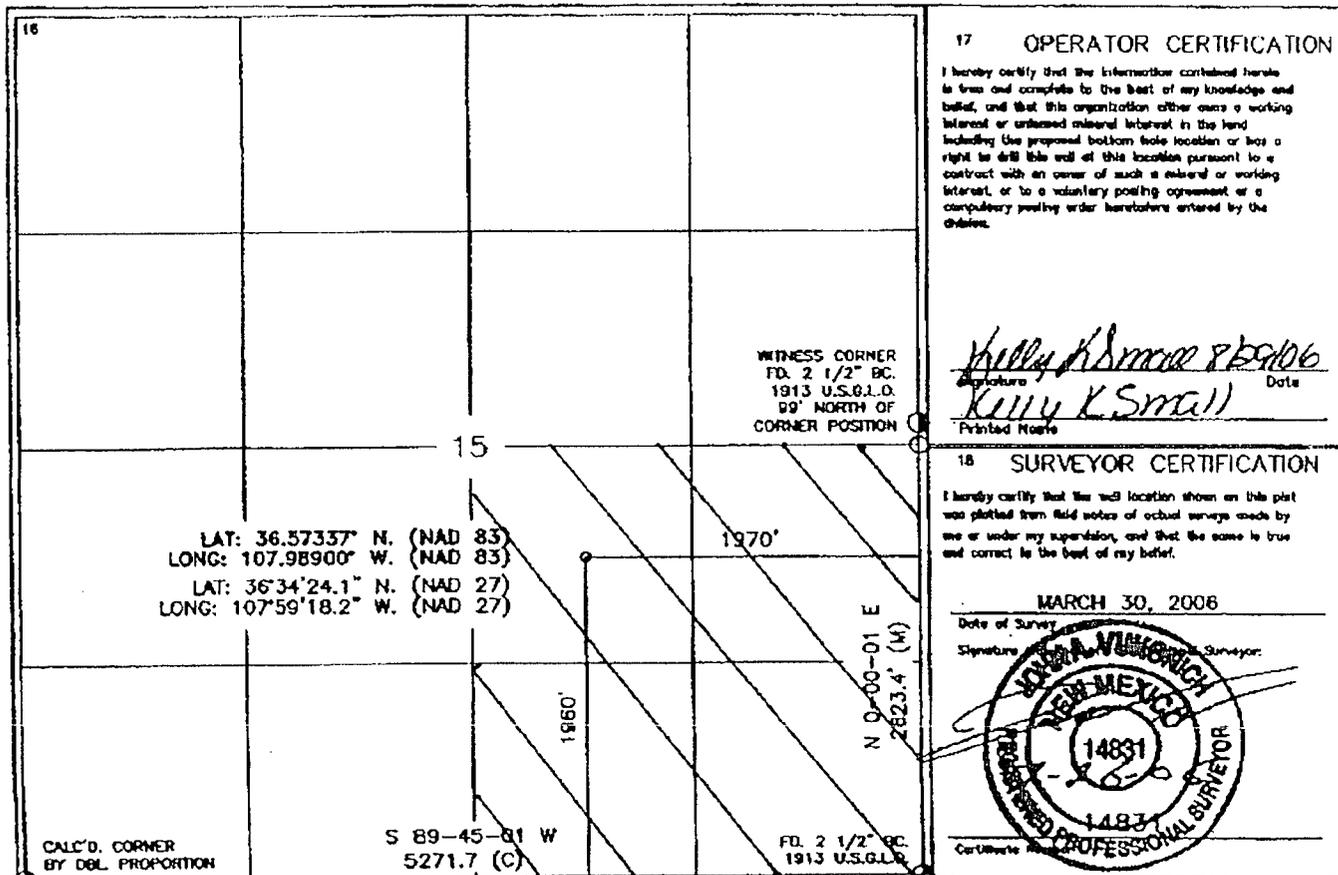
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	15	27-N	11-W		1960	SOUTH	1970	EAST	SAN JUAN

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres SE 1/4 160					<sup>13</sup> Joint or well		<sup>14</sup> Consolidation Code		<sup>15</sup> 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



DISTRICT I  
1825 N. Franch Dr., Hobbs, N.M. 88210

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

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-34124		<sup>2</sup> Pool Code 71399		<sup>3</sup> Pool Name Basin Dakota	
<sup>4</sup> Property Code		<sup>5</sup> Property Name FULLERTON FEDERAL		<sup>6</sup> Well Number 5F	
<sup>7</sup> OGRID No. 5380		<sup>8</sup> Operator Name XTO ENERGY INC.		<sup>9</sup> Elevation 6326	

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	15	27-N	11-W		1960	SOUTH	1970	EAST	SAN JUAN

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 812.320		<sup>13</sup> Joint or InSM		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

**16**

WITNESS CORNER  
FD. 2 1/2" BC.  
1913 U.S.G.L.O.  
99' NORTH OF  
CORNER POSITION

LAT: 36.57337" N. (NAD 83)  
LONG: 107.98900" W. (NAD 83)  
LAT: 36°34'24.1" N. (NAD 27)  
LONG: 107°59'18.2" W. (NAD 27)

CALCD. CORNER  
BY DEFL. PROPORTION

S 89-45-01 W  
5271.7 (C)

1960'

1970'

N 0-00-01 E  
3623.4' (M)

FD. 2 1/2" BC.  
1913 U.S.G.L.O.

**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*John R. Small* 8/22/06  
Signature Date  
**John R. Small**  
Printed Name

**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.

MARCH 30, 2006  
Date of Survey

Signature \_\_\_\_\_ Surveyor:

Certificate No. \_\_\_\_\_

**Fullerton Federal #5F**  
**Allocation Percentages**

The proposed gas and oil production allocation percentages are based on estimated average ultimate recovery per well of the 8 Dakota wells and 9 Gallup wells in T27N R11W. Water allocation is based on E.U.R. water production per well. Please see attached Dakota and Gallup E.U.R. analysis.

Proposed Allocation Percentages:

Pool	Oil	Water	Gas
Mancos	62%	42%	25%
Dakota	38%	58%	75%

Basin Dakota Pool (Per well avg. est. ultimate gas, oil and water recovery prod.)

BO	BW	MCF
5,173	7,077	916,085

South Kutz Gallup Pool (Per well avg. est. ultimate gas, oil and water recovery prod.)

BO	BW	MCF
8,551	5,221	310,815

Offset Analysis: All wells completed in Dakota and Gallup in T27N R11W

API	LEASE NAME	NO.	RESERVOIR	SEC	LOCATION	1st PROD	LAST PROD	CUM OIL	REM OIL	CUM GAS	REM GAS	EUR-OIL	EUR GAS	EUR GAS, mcf	EUR WATER, BBL
30045067300000	FRONTIER B	2	DAKOTA		9127 N 11 W	19590701	20060101	5,283	0	2,683,266	79,685	5,283	2,683,266	2,762,951	413
30045068380000	FRONTIER C	2	DAKOTA		5127 N 11 W	19590701	19770101	1,110	0	1,520,428	1,110	1,110	1,520,428	1,520,428	0
30045130450000	FRONTIER E	1	DAKOTA		4127 N 11 W	19601101	19970201	4,358	0	1,244,846	4,358	4,358	1,244,846	1,244,846	351
30045067700000	SCHLOSSER WN FEDERAL	2	DAKOTA		3127 N 11 W	19601101	19801201	10,894	0	2,874,989	10,894	10,894	2,874,989	2,874,989	0
30045069140000	BOLACK A	1	DAKOTA		15610131	19950201	37,507	0	3,363,848	37,507	3,363,848	37,507	3,363,848	3,363,848	24
30045067430000	SCHLOSSER WN FEDERAL	1	DAKOTA		10127 N 11 W	19610801	19831001	7,824	0	1,548,765	7,824	7,824	1,548,765	1,548,765	8
30045206950000	HILLSDALE	11	DAKOTA		14127 N 11 W	19621130	20060501	12,358	96	1,633,297	12,169	12,454	1,754,466	1,754,466	15,546
30045237810000	PIPKIN, EH	10E	DAKOTA		9127 N 11 W	19701201	20060101	9,284	46	2,031,931	492,649	3,122	2,031,931	2,514,580	3,791
30045241020000	FRONTIER E	1E	DAKOTA		4127 N 11 W	19811201	20060101	8,034	76	1,510,931	1,111,114	3,122	298,684	298,684	2,009
30045246390000	FULLERTON FEDERAL	6E	DAKOTA		11127 N 11 W	19840131	20060501	7,989	175	1,293,384	381,865	8,034	1,510,931	2,222,045	3,230
30045130470000	FULLERTON FEDERAL	9	DAKOTA		13127 N 11 W	19900131	20060501	2,104	1,592	1,067,711	163,511	3,696	272,222	272,222	13,038
30045297410000	FULLERTON FEDERAL GD	41	DAKOTA		15127 N 11 W	19900630	20060501	1,314	1,197	284,056	420,739	2,511	704,795	704,795	10,273
30045297400000	FULLERTON FEDERAL GD	23	DAKOTA		11127 N 11 W	20000630	20060301	773	0	14,327	0	580	14,327	14,327	403
30045311480000	PIPKIN, EH	8R	DAKOTA		1127 N 11 W	20030331	20060501	4,444	6,306	240,271	769,969	10,750	1,010,240	1,010,240	7,504
30045312830000	BOLACK A	1R	DAKOTA		2127 N 11 W	20040430	20060501	1,920	2,342	174,632	956,466	4,262	1,131,118	1,131,118	7,120
						Pre 1980 Average Dakota		11,077	18	2,112,669	227,834	11,089	2,127,815	2,198,107	2,517
						Post 1980 Dakota Well		3,713	1,670	490,625	425,460	5,140	930,226	915,085	7,077

API	LEASE NAME	NO.	RESERVOIR	SEC	LOCATION	1st PROD	LAST PROD	CUM OIL	REM OIL	CUM GAS	REM GAS	EUR-OIL	EUR GAS	EUR GAS, mcf	EUR WATER, BBL
30045067300000	FRONTIER B	2	GALLUP		9127 N 11 W	19590401	19710701	188	0	233,160	188	188	233,160	233,160	17
30045068380000	FRONTIER C	2	GALLUP		5127 N 11 W	19590701	19720101	73,261	0	278,599	73,261	73,261	278,599	278,599	106
30045067430000	SCHLOSSER WN FEDERAL	1	GALLUP		10127 N 11 W	19600101	19770801	66,965	0	63,613	66,965	66,965	63,613	63,613	713
30045130450000	FRONTIER E	1	GALLUP		4127 N 11 W	19600801	19791001	50,769	0	9,556	50,769	50,769	9,556	9,556	69
30045067700000	SCHLOSSER WN FEDERAL	2	GALLUP		3127 N 11 W	19601201	19720701	20,349	0	2,082	20,349	20,349	2,082	2,082	386
30045067860000	BOLACK A	1	GALLUP		2127 N 11 W	19700101	19701001	18,143	0	133,855	18,143	18,143	133,855	133,855	0
30045241020000	FRONTIER E	1E	GALLUP		4127 N 11 W	19820201	20060101	17,944	182	384,635	86,033	6,779	384,635	470,688	7,272
30045130490000	FULLERTON FEDERAL	11	GALLUP		14127 N 11 W	19970228	20060501	2,967	1,660	649,083	748,791	17,944	1,397,874	323,749	116
30045130470000	FULLERTON FEDERAL	9	GALLUP		13127 N 11 W	19980131	20060501	3,080	2,733	126,181	165,838	5,813	292,019	1,397,874	3,648
30045297410000	FULLERTON FEDERAL GD	41	GALLUP		15127 N 11 W	19990930	20060501	2,456	1,133	48,058	35,008	3,589	83,066	292,019	11,055
30045297400000	FULLERTON FEDERAL GD	23	GALLUP		11127 N 11 W	19981130	20060301	1,801	0	81,781	1,801	1,801	81,781	83,066	1,480
30045246390000	FULLERTON FEDERAL	6E	GALLUP		11127 N 11 W	20011031	20060501	2,343	1,984	100,439	284,300	4,327	384,769	384,769	4,086
30045311480000	PIPKIN, EH	8R	GALLUP		1127 N 11 W	20030331	20060501	2,611	3,524	26,699	6,135	6,135	100,306	100,306	4,317
30045237810000	PIPKIN, EH	10E	GALLUP		1127 N 11 W	20030731	20060501	1,570	3,963	40,471	104,015	5,533	144,486	144,486	19,254
30045312830000	BOLACK A	1R	GALLUP		2127 N 11 W	20040430	20060501	1,769	824	23,748	106,131	824	129,879	129,879	6,150
						Pre 1980 Gallup Well		33,779	15	157,929	86,033	33,779	157,929	170,219	1,223
						Post 1980 Gallup Well		7,032	1,899	148,552	169,637	8,417	300,324	310,815	5,221

Based on EUR		
% Gallup Oil	% Gallup Gas	% Gallup Water
3%	8%	4%
95%	15%	100%
90%	4%	98%
92%	1%	16%
65%	0%	100%
70%	8%	0%
42%	16%	66%
68%	13%	3%
27%	44%	19%
61%	12%	77%
59%	11%	13%
70%	85%	68%
35%	19%	24%
36%	9%	37%
64%	33%	91%
29%	10%	46%
75%	7%	33%
62%	25%	42%

Pre 1980 Gallup Well  
Post 1980 Gallup Well



382 CR 3100, Aztec, NM 87410  
Phone: (505) 333-3100 FAX: (505) 333-3280

September 17, 2007

Interest Owners

Subject: Notice of Intent for Downhole Commingling  
Fullerton Federal #5F NMSF 078094  
NWSE Sec 15-T27N-R11W  
1960' FSL & 1970' FEL

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the Basin Dakota and the Wildcat Basin Mancos pools in the Federal H #1F. These pools are not included in NMOCD pre-approved pool combinations for downhole commingling in the San Juan Basin. Therefore, application to commingle will be submitted to the NMOCD in Santa Fe. Commingling of these pools will minimize operating costs, add reserves and improve economics of the well.

The proposed allocation percentages for each pool are as follows:

Basin Dakota	Gas: 75%	Water: 58%	Oil: 38%
Basin Mancos	Gas: 25%	Water: 42%	Oil: 62%

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between pools. If you need additional information or have any questions, I may be contacted at (505) 334-3155. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

A handwritten signature in cursive script that reads 'Holly C. Perkins'.

Holly C. Perkins  
Regulatory Compliance Tech

xc: well file

CATHERINE C KNIGHT  
P O BOX 260  
WILSON, WY 830140260

Fullerton Fed 5F DHC

CATHERINE C KNIGHT  
P O BOX 260  
WILSON, WY 830140260

Fullerton Fed 5F DHC

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P O BOX 260  
WILSON, WY 830140260

Fullerton Fed 5F DHC

CONSTANCE C. ELMS  
4307 BRETTON BAY  
DALLAS, TX 752876712

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DALLAS, TX 752876712

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4307 BRETTON BAY  
DALLAS, TX 752876712

Fullerton Fed 5F DHC

D & S PARTNERSHIP STEPHEN A  
COKE GENERAL PARTNER  
5728 NORTHBROOK DRIVE  
PLANO, TX 750935953

Fullerton Fed 5F DHC

D & S PARTNERSHIP STEPHEN A  
COKE GENERAL PARTNER  
5728 NORTHBROOK DRIVE  
PLANO, TX 750935953

Fullerton Fed 5F DHC

D & S PARTNERSHIP STEPHEN A  
COKE GENERAL PARTNER  
5728 NORTHBROOK DRIVE  
PLANO, TX 750935953

Fullerton Fed 5F DHC

DALLAS CO MEDICAL SOCIETY  
ALLIANCE FOUNDATION  
5500 SWISS AVE  
DALLAS, TX 752144947

Fullerton Fed 5F DHC

DALLAS CO MEDICAL SOCIETY  
ALLIANCE FOUNDATION  
5500 SWISS AVE  
DALLAS, TX 752144947

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DALLAS CO MEDICAL SOCIETY  
ALLIANCE FOUNDATION  
5500 SWISS AVE  
DALLAS, TX 752144947

Fullerton Fed 5F DHC

ENERGEN RESOURCES  
CORPORATION  
605 RICHARD ARRINGTON BLVD., N  
BIRMINGHAM, AL 352032707

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CORPORATION  
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BIRMINGHAM, AL 352032707

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CORPORATION  
605 RICHARD ARRINGTON BLVD., N  
BIRMINGHAM, AL 352032707

Fullerton Fed 5F DHC

GLEND A EARL AKE  
PO BOX 152364  
ARLINGTON, TX 760150000

Fullerton Fed 5F DHC

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PO BOX 152364  
ARLINGTON, TX 760150000

Fullerton Fed 5F DHC

GLEND A EARL AKE  
PO BOX 152364  
ARLINGTON, TX 760150000

Fullerton Fed 5F DHC

L.A. STEMMONS JR. RESIDUARY TR  
SUZANNE STEMMONS BE  
1605 DOWLING DR  
IRVING, TX 750380000

Fullerton Fed 5F DHC

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SUZANNE STEMMONS BE  
1605 DOWLING DR  
IRVING, TX 750380000

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L.A. STEMMONS JR. RESIDUARY TR  
SUZANNE STEMMONS BE  
1605 DOWLING DR  
IRVING, TX 750380000

Fullerton Fed 5F DHC

LESLIE REALTY A PARTNERSHIP  
SUZANNE BEEMAN GEN. PT  
1605 DOWLING DR  
IRVING, TX 750380000

Fullerton Fed 5F DHC

LESLIE REALTY A PARTNERSHIP  
SUZANNE BEEMAN GEN. PT  
1605 DOWLING DR  
IRVING, TX 750380000

Fullerton Fed 5F DHC

LESLIE REALTY A PARTNERSHIP  
SUZANNE BEEMAN GEN. PT  
1605 DOWLING DR  
IRVING, TX 750380000

Fullerton Fed 5F DHC

MMS XTO FEDERAL  
C/O XTO ENERGY INC  
310 HOUSTON STREET  
FORT WORTH, TX 761026298

Fullerton Fed 5F DHC

MMS XTO FEDERAL  
C/O XTO ENERGY INC  
810 HOUSTON STREET  
FORT WORTH, TX 761026298

Fullerton Fed 5F DHC

MMS XTO FEDERAL  
C/O XTO ENERGY INC  
810 HOUSTON STREET  
FORT WORTH, TX 761026298

Fullerton Fed 5F DHC

THE DALLAS WOMAN'S CLUB  
FOUNDATION  
7000 PARK LANE  
DALLAS, TX 752251754

Fullerton Fed 5F DHC

THE DALLAS WOMAN'S CLUB  
FOUNDATION  
7000 PARK LANE  
DALLAS, TX 752251754

Fullerton Fed 5F DHC

THE DALLAS WOMAN'S CLUB  
FOUNDATION  
7000 PARK LANE  
DALLAS, TX 752251754

Fullerton Fed 5F DHC

WILLIAM O HASLBAUER  
647 COUNTY ROAD 2220  
MINEOLA, TX 757730000

Fullerton Fed 5F DHC

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647 COUNTY ROAD 2220  
MINEOLA, TX 757730000

Fullerton Fed 5F DHC

WILLIAM O HASLBAUER  
647 COUNTY ROAD 2220  
MINEOLA, TX 757730000

Fullerton Fed 5F DHC

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. <b>NMSF-078094</b>
2. Name of Operator <b>XTO Energy Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>382 CR 3100 AZTEC, NM 87410</b>	3b. Phone No. (include area code) <b>505-333-3100</b>	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1960' FSL &amp; 1970' FEL SEC 15J-T27N-R11W</b>		8. Well Name and No. <b>FULLERTON FEDERAL #5F</b>
		9. API Well No. <b>30-045-34124</b>
		10. Field and Pool, or Exploratory Area <b>BASIN DAKOTA/WILDCAT BASIN MANCOS</b>
		11. County or Parish, State <b>SAN JUAN NM</b>

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

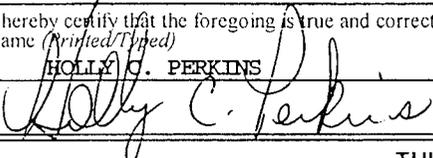
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 recomplete 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 recompletion 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 Basin Dakota (71599) and the Wildcat Basin Mancos (97232) upon completion of the well. The proposed gas and oil allocations are based on estimated average ultimate recovery per well of the 8 Dakota and 9 Gallup wells in T27N-R11W. Water allocation is based on EUR water production per well. Please see attached Dakota & Gallup EUR analysis:

Dakota	Gas: 75%	Oil: 38%	Water: 58%
Mancos	Gas: 25%	Oil: 62%	Water: 42%

Ownership is diverse between pools and notice to owners was sent 9/17/07 via certified, return receipt US mail. The downhole commingle will offer an economical method of production and protect against reservoir damage, waste of reserves and protect correlative rights. The NMOC has been notified by filing of C107A on 9/17/2007

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) <b>HOLLY C. PERKINS</b>	Title <b>REGULATORY COMPLIANCE TECH</b>
	Date <b>9/17/2007</b>

**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.