

DATE IN 3/25/08	SUSPENSE	ENGINEER W Jones	LOGGED IN 3/25/08	TYPE DHC	APP NO. 224080854442
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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 REGULATION 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.

LORRI BINGHAM  
 Print or Type Name

[Signature]  
 Signature

REG. COMPLIANCE TECH  
 Title

3/20/08  
 Date

lorri-bingham@xtoenergy.com  
 e-mail Address

RECEIVED  
 2008 MAR 25 AM 7 36

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

XTO Energy Inc. 382 CR 3100 Aztec, NM 87410  
Operator Address  
AZTEC #8 SEC 8M T30N R11W SAN JUAN  
Lease Well No. Unit Letter-Section-Township-Range County  
OGRID No. 5380 Property Code 32289 API No. 30-045-24695 Lease Type: Federal State X Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	FARMER FRUITLAND SAND Gas	AZTEC PC Gas	BLANCO MESAVERDE Pro Gas
Pool Code	71629 76570	71280	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1750' - 1755'	1990' - 2018'	3997' - 4575'
Method of Production (Flowing or Artificial Life)	FLOWING	FLOWING	FLOWING
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)	188	188	420
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1018	1018	1193
Producing, Shut-In or New Zone	PRODUCING	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: MARCH '08 Rates: 0 BOPD/1 MCFD/0 BWPD	Date: MARCH '08 Rates: 0 BOPD/1 MCFD/0 BWPD	Date: MARCH '08 Rates: 0 BOPD/40 MCFD/0 BWPD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil: 0 % Gas: 5.97 %	Oil: 2.22 % Gas: 13.71 %	Oil: 97.78 % Gas: 80.31 %

Are all working, overriding, and royalty interests identical in all commingled zones? Yes X 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 X No  
Will commingling decrease the value of production? Yes No X  
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 REG COMPLIANCE TECH DATE 3/20/08  
TYPE OR PRINT NAME LORRI D. BINGHAM TELEPHONE NO. ( 505 ) 333-3204  
E-MAIL Lorri\_bingham@xtoenergy.com

<b><u>Aztec #8</u></b>			
	<b>OCT. 2007 CUM. PROD.</b>		
	<b>OIL</b>	<b>GAS</b>	<b>WATER</b>
	<b><u>(BBLS)</u></b>	<b><u>(MCF)</u></b>	<b><u>(BBLS)</u></b>
Farmers Fruitland Sand Pool	0	53,006	26
Aztec Pictured Cliffs Pool	53	121,676	130
Blanco Mesaverde Pool	2,337	712,620	14
<b>TOTAL</b>	<b>2,390</b>	<b>887,302</b>	<b>170</b>
	<b>PROPOSED DHC PROD. ALLOC.</b>		
	<b>OIL</b>	<b>GAS</b>	<b>WATER</b>
Farmers Fruitland Sand Pool	0.00%	5.97%	15.29%
Aztec Pictured Cliffs Pool	2.22%	13.71%	76.47%
Blanco Mesaverde Pool	97.78%	80.31%	8.24%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

XTO Energy Inc.

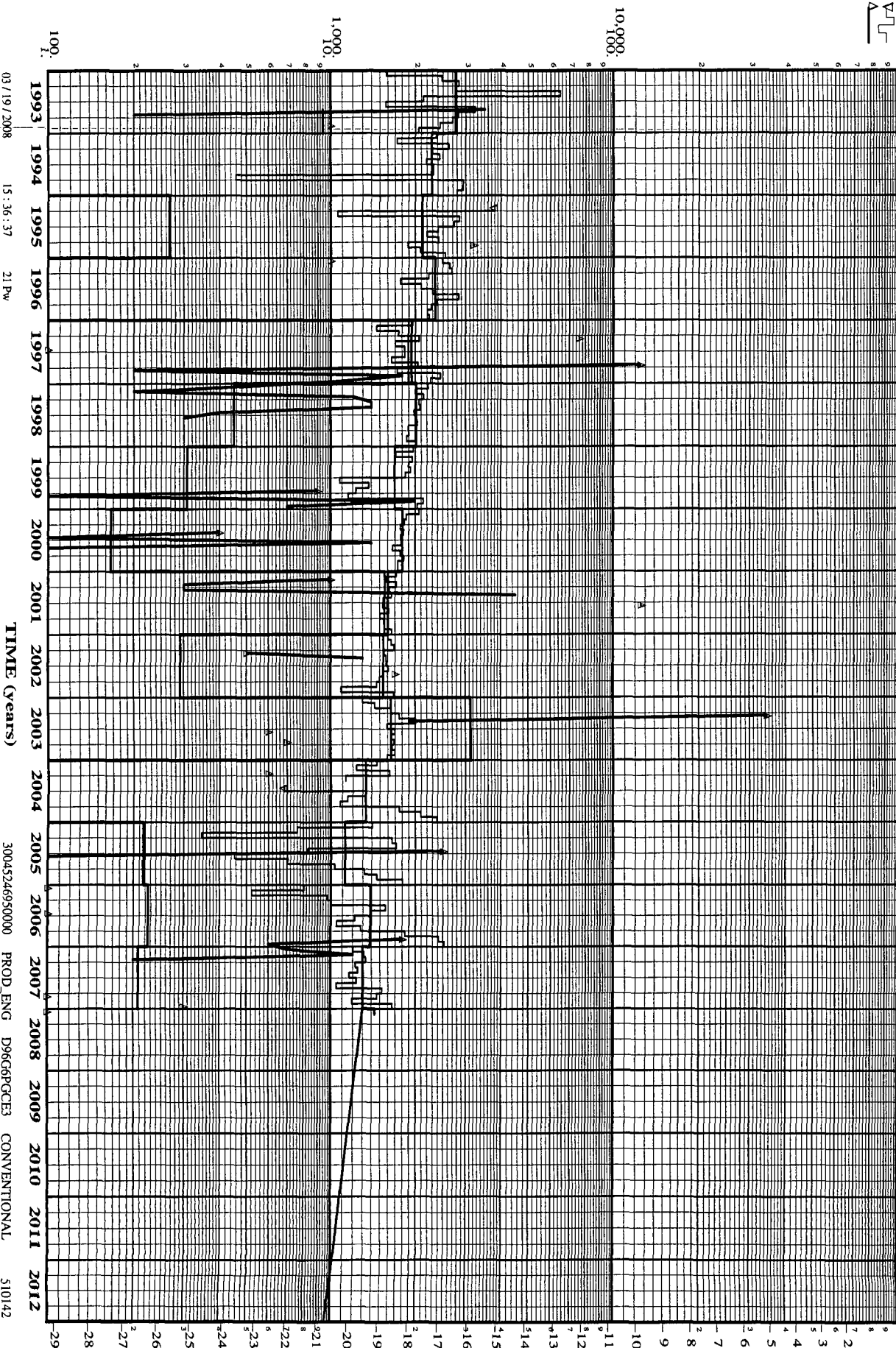
AZTEC 8  
XTO ENERGY  
BLANCO ( MESAVERDE )  
SAN JUAN, NEW MEXICO  
8M 30N 11W  
RWI  
BASE  
510142

SAN JUAN  
77752

Run Date : 02/01/08  
Run Time: 16:48:36

RFM CIB JLR

GAS (mcf/mo)  
OIL (bbl/mo)



03/19/2008

15:36:37

21 Pw

TIME (Years)

30045246950000

PROD\_ENG

D96G6PCE3

CONVENTIONAL

510142

XTO Energy Inc.

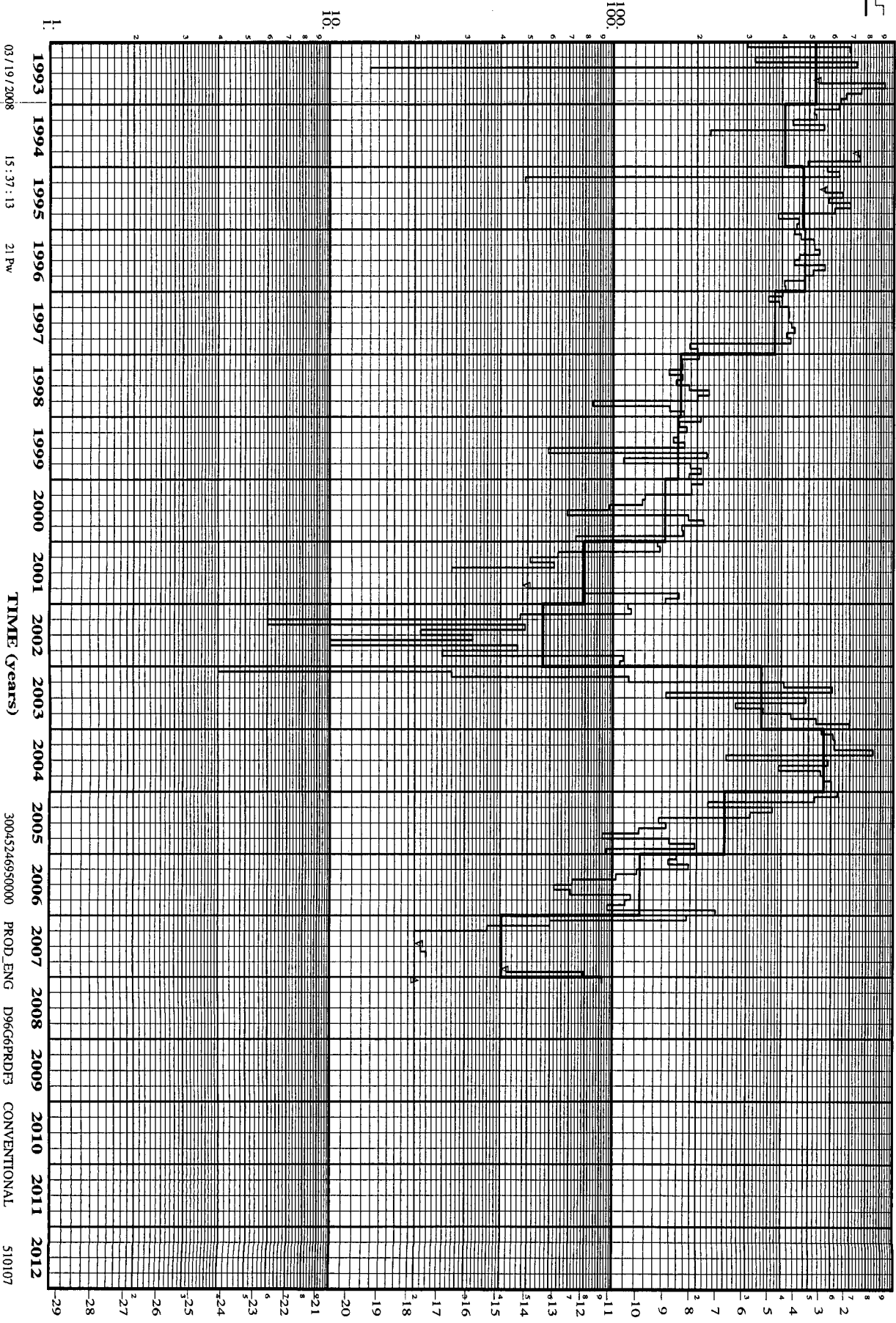
AZTEC 8  
XTO ENERGY  
AZTEC ( PICTURED CLIFFS )  
SAN JUAN, NEW MEXICO  
8M 30N 11W  
RW1  
BASE  
510107

SAN JUAN  
77751

Run Date : 02/01/08  
Run Time : 16:48:36

RFM CUB JLR

GAS (mcf/mo)  
OIL (bbl/mo)



03/19/2008

15:37:13

21 Pw

TIME (years)

30045246950000

PROD\_ENG

D96G6PRD13

CONVENTIONAL

510107

XTO Energy Inc.

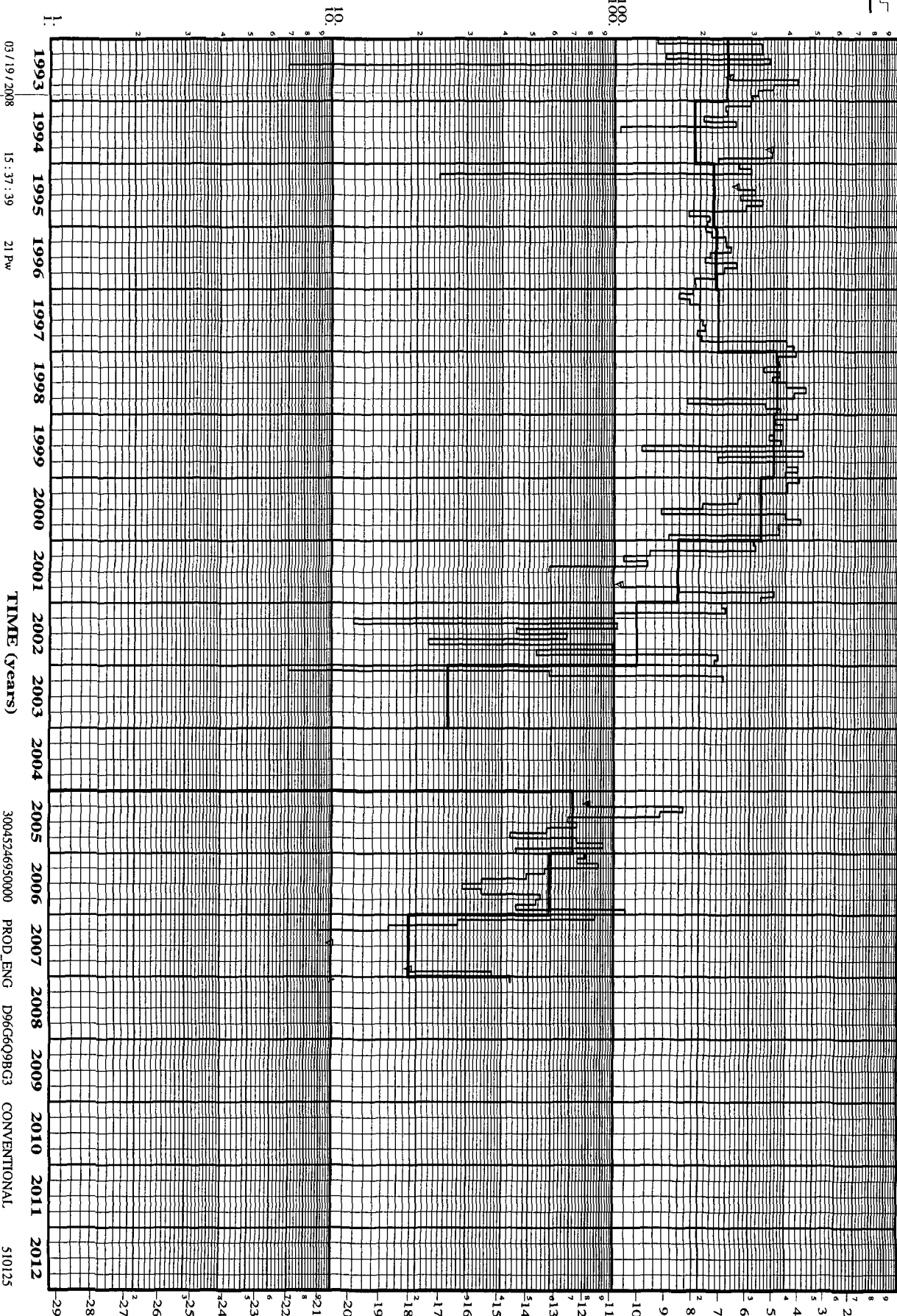
AZTEC 8  
XTO ENERGY  
FARMER (FRUITLAND SAND)  
SAN JUAN, NEW MEXICO  
8M 30N 11W  
RW 7  
510125

SAN JUAN  
77751

RFM CJB JLR

Run Date : 02/01/08  
Run Time : 16:48:36

GAS (mcf/mo)  
OIL (bbls/mo)



03/19/2008

15:37:39

21 PM

TIME (years)

30045246950000

PROD\_ENG

D96GQ9BG3

CONVENTIONAL

510125