

4/21/08 DATE IN	SUSPENSE	BROOKS ENGINEER	4/22/08 LOGGED IN	NSL TYPE	PKVR0811339903 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



XTO Energy INC
UTE Mountain K #2

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

2008 APR 21 PM 3 42

RECEIVED

[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.

Christopher Spencer
Print or Type Name

Christopher Spencer
Signature

Senior Landman
Title

04/18/2008
Date

christopher.spencer@xtoenergy.com
e-mail Address



April 18, 2008

**VIA U. S. EXPRESS
OVERNIGHT MAIL**

Mr. David Catanach
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 Ute Mountain Tribal K No. 2
360' FNL and 865' FEL (NE/4 NE/4)
Section 33, T32N, R14W
San Juan County, New Mexico
Ute Dome Paradox Formation

Dear Mr. Catanach:

XTO Energy Inc. 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. Ownership map
5. Production map showing Paradox gas producing wells

*Pool - 2.75-3.00
TD -
completed?*

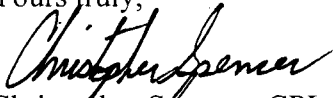
The above referenced well is proposed to be drilled as a Ute Dome Paradox well spaced as a 640 acre unit. The proposed well location is non-standard due to the many drainage issues relating to surrounding terrain. In November, 2007, XTO had an on-site survey conducted for a proposed legal location; however, the Bureau of Land Management objected to the legal location, citing potential drainage problems. The BLM suggested and subsequently approved the current location, pending unorthodox location approval by the NMOCD.

The adjoining offset operator, Burlington Resources Oil and Gas Company, LP, has been notified of this application by certified mail and a copy of the notifying letter and receipt is attached.

Mr. David Catanach
New Mexico Oil Conservation Division
April 18, 2008
Ute Mountain Tribal K No. 2
Page Two

XTO Energy Inc. hereby requests your administrative approval for the unorthodox location based on the information provided herewith. Should you need any additional information, please contact me at (817) 885-2540.

Yours truly,

A handwritten signature in black ink, appearing to read "Christopher Spencer". The signature is fluid and cursive, with the first name "Christopher" written in a larger, more prominent script than the last name "Spencer".

Christopher Spencer, CPL
Senior Landman

/cks

Enclosures

cc: Mr. Robert Helton
Burlington Resources Oil & Gas Company LP
P O Box 4289
Farmington NM 87499

DISTRICT I
1625 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

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name UTE MOUNTAIN TRIBAL K	⁶ Well Number 2
⁷ OGRID No.	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6072

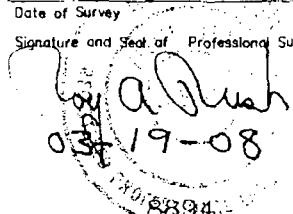
¹⁰ Surface Location

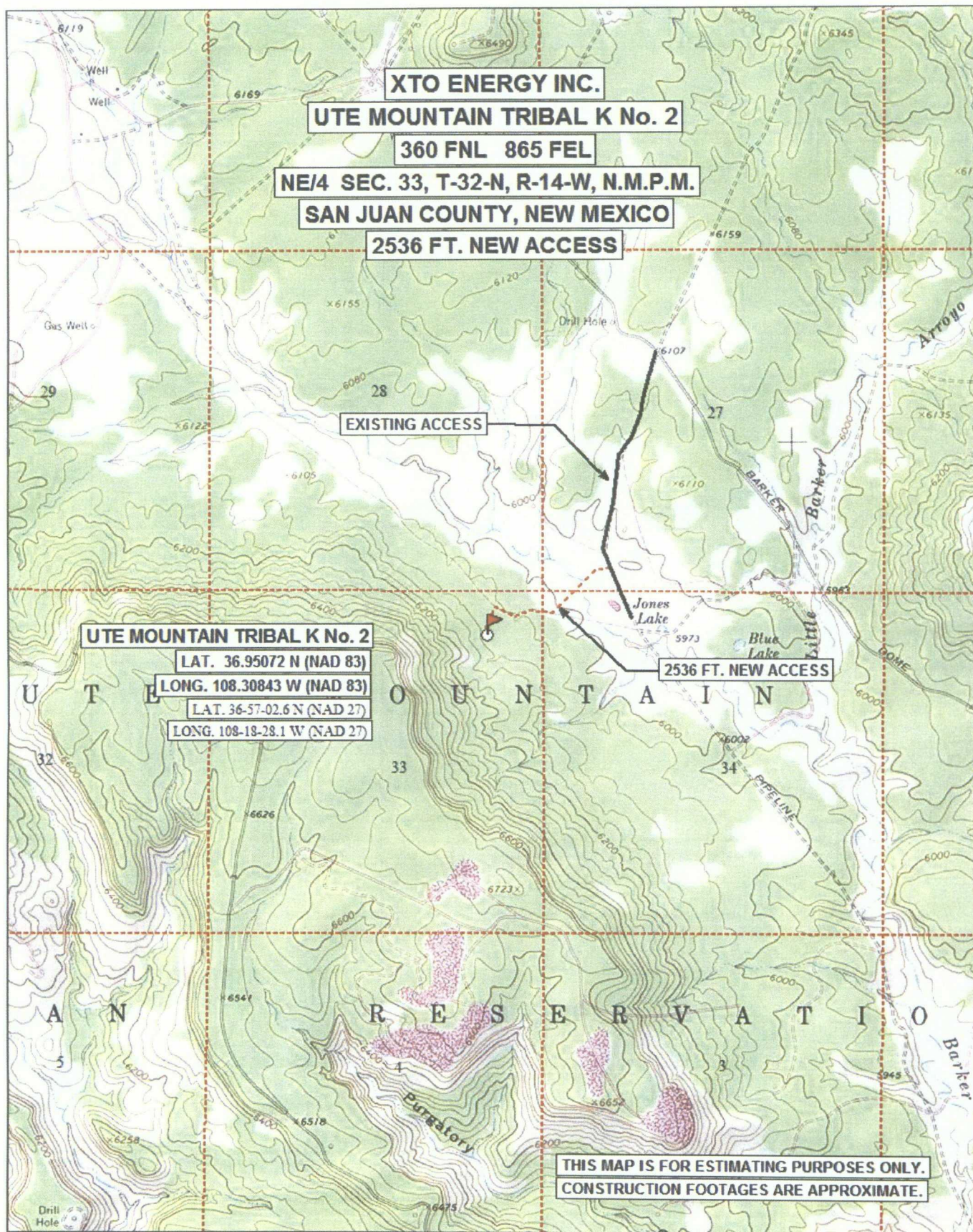
UL or lot no. A	Section 33	Township 32-N	Range 14-W	Lot Idn	Feet from the 360	North/South line NORTH	Feet from the 865	East/West line EAST	County SAN JUAN
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres			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

16	FD. 3 1/4" AC. 1986 B.L.M.	N 89-44-58 W 2649.51' (M)	360	865'	FD. 3 1/4" AC. 1986 B.L.M.	17
SURFACE LOCATION LAT: 36.95072° N. (NAD 83) LONG: 108.30843° W. (NAD 83) LAT: 36°57'02.6" N. (NAD 27) LONG: 108°18'28.1" W. (NAD 27)						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 unleased 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. Signature _____ Date _____ Printed Name _____
33						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 DECEMBER 14, 2007 Signature and Seal of Professional Surveyor:  Certificate Number 8894



TN/MN
11°

0 0.5 1 MILE
0 1000 FEET 0 500 1000 METERS
Printed from TOPO! ©2001 National Geographic Holdings (www.topo.com)

XTO ENERGY INC.
UTE MOUNTAIN TRIBAL K NO. 2
SEC. 33, T-32-N, R-14-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



Daggett Enterprises, Inc.
Surveying and Oil Field Services
P. O. Box 15068 Farmington, NM 87401
Phone (505) 326-1772 Fax (505) 326-6019

PAGE 1 OF 1	CADFILE: CRT08AM01
DRAWN BY: A.G.	ROW#: CR708 DATE: 04/18/08



SECTION PLAT OF 9 SQUARE MILES

STATE: New Mexico COUNTY: San Juan

PROSPECT: UTE MOUNTAIN TRIBAL K NO. 2 DATE: 04/14/2008

SECTION: 33 TOWNSHIP: 32 North RANGE: 14 West

SCALE: 1"=2000'

T32N, R14W, Sec. 29	28 Burlington Resources Oil and Gas Company LP	27 Burlington Resources Oil and Gas Company LP XTO Energy Inc.
32	33 XTO Energy Inc.	34 XTO Energy Inc.
T31N, R14W, Sec. 05	04	03



April 18, 2008

VIA CERTIFIED U. S. MAIL

Mr. Robert Helton
Burlington Resources Oil & Gas Company LP
PO Box 4289
Farmington NM 87499

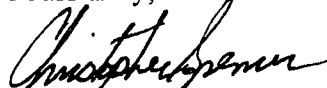
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Section 33, T32N, R14W
San Juan County, New Mexico
Ute Dome Paradox Formation

Dear Mr. Helton:

Enclosed is a copy of the above captioned application that has been sent to the New Mexico Oil Conservation Commission for administrative approval. If there is no objection to XTO's request for approval of unorthodox location for the captioned well, please so indicate by signing below and returning one copy of this letter to my attention at the letterhead address. Should Burlington Resources not agree with the request, please notify the NMOCD within 20 days of the date of this application.

If you should have any questions concerning the application, please contact me at (817) 885-2540.

Yours truly,


Christopher Spencer, CPL
Senior Landman

/cks

Encl.

cc: Mr. David Catanach, NMOCD

Burlington Resources Oil and Gas Company LP hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Ute Mountain Tribal K No. 2 Well, as depicted on the enclosed plat.

By: _____
Printed Name: _____
Date: _____

7007 3020 0000 1542 7608

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
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OFFICIAL USE

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent 1	MR. ROBERT HELTON	
Street, or PO	BURLINGTON RESOURCES OIL & GAS COMPANY LP	
City, S	PO BOX 4289	
PS Form 3800	FARMINGTON NM 87499	Instructions