

1/8/04

LR

DHC

PLR0400926307

DHC



RC

RECEIVED

JAN 08 2004

OIL CONSERVATION  
DIVISION

January 5, 2004

Ms. Lori Wrotenberry  
New Mexico Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

3233

RE: Application for Exception to Rule 303-C Downhole Commingle  
Bolack C #19  
Unit 0, Sec. 31, T 27 N, R 08 W  
San Juan County, New Mexico

Dear Ms. Wrotenberry,

XTO Energy Inc. respectfully request approval to downhole commingle production from the Basin Dakota, Wildcat Basin Mancos and the Blanco Mesaverde pools in the Bolack C #19. The Bolack C #19 is currently being permitted by XTO Energy, Inc as a Basin Dakota, Basin Mancos and the Blanco Mesaverde well. It is proposed to downhole commingle the zones upon completion of the well.

The WI, NRI and ORRI ownership are common. Downhole commingling will offer an economic method of production, will improve recovery of liquids, eliminating redundant surface equipment and maximize compressor efficiency.

The allocation percentage's for gas and oil were based upon the surrounding average 9 section EUR's for each pool. Attached is the curves for this area EUR's and alloction cacluations.

XTO Energy Inc. request your approval to downhole commingle the Basin Dakota, Basin Mancos and the Blanco Mesaverde. Should you need any additional information please contact me at (505) 324-1090.

Sincerely,

*Loren W. Fothergill*  
Loren W. Fothergill  
Production Engineer

Enclosures

Cc: GLM  
TWD  
LWF  
George Cox - FTW Land  
Well File

**Bolack C #19  
9 Section EUR's  
31 27N 8W**

Well Name	No	Sec	Unit	Twn	Rng	Blanco Mesaverde		WC Mancos		Basin Dakato	
						Gas EUR (mmcf)	Oil EUR (mbo)	Gas EUR (mmcf)	Oil EUR (mbo)	Gas EUR (mmcf)	Oil EUR (mbo)
STARR	3	5	G	26N	8W	937	13			244	11
NEWSOM B	11	5	N	26N	8W					644	13
NEWSOM B	11E	5	P	26N	8W			125	2	598	10
NAVAJO INDIAN	6	6		26N	8W	4,816	17			1,177	19
NEWSOM B	8	6	P	26N	8W					1,177	15
NEWSOM B	8E	6	H	26N	8W					314	3
NAVAJO INDIAN	6E	6		26N	8W	157	0			74	2
HUERFANITO UNIT	87	1	K	26N	9W	4,526	23			2,123	18
HUERFANITO UNIT	90	1		26N	9W	3,971	16			1,596	17
BOLACK B	1	29	I	27N	8W					71	4
BOLACK B	4	30	O	27N	8W					384	16
NAVAJO INDIAN B	5M	30		27N	8W	174	5			693	10
NAVAJO INDIAN B	5	30		27N	8W	1,475	17			1,415	27
BOLACK B	5	31	J	27N	8W					684	11
NAVAJO C	2	31		27N	8W					1,630	21
NAVAJO C	2M	31	E	27N	8W					667	2
NAVAJO 1	1	25	G	27N	9W					2,154	13
HUERFANITO UNIT	82	25	L	27N	9W					2,039	12
STATE COM E	6	32	J	27N	9W					52	7
STATE COM D	5	32	F	27N	9W					209	6
HUERFANITO UNIT	78	36	B	27N	9W	3,002	45			1,421	28
HUERFANITO UNIT	86	36	L	27N	9W	2,720	18			3,089	16
HUERFANITO UNIT	78M	36	I	27N	9W	0	0			6	1
STARR	5	5		26N	8W			330	21		
NEWSOM B	20	5	L	26N	8W	5	0				
STARR	4	6	H	26N	8W	943	10				
NAVAJO INDIAN	6A	6	L	26N	8W	235	2				
STARR	4A	6	J	26N	8W	561	3				
HUERFANITO UNIT	87A	1	F	26N	9W	2,103	10				
BOLACK C LS	13	29	M	27N	8W	1,162	11				
BOLACK C LS	12	29	A	27N	8W	2,039	11				
BOLACK C	12B	29	I	27N	8W	493	2				
BOLACK C	13B	29	F	27N	8W	523	2				
BOLACK C LS	13A	29	D	27N	8W	591	4				
BOLACK C LS	12A	29	J	27N	8W	351	4				
BOLACK C LS	14A	30	I	27N	8W	763	10				
BOLACK C LS	14	30	B	27N	8W	1,015	7				
BOLACK C LS	9	31	H	27N	8W	2,998	37				
LINDA	1	31	M	27N	8W	1,472	9				
BOLACK C	9B	31	B	27N	8W	662	7				
LINDA	1A	31		27N	8W	2,184	39				
CUCCIA COM B	4	32	H	27N	8W	907	10				
CUCCIA COM B	4A	32	J	27N	8W	811	15				
STATE COM D	5	32	F	27N	8W	519	5				
CUCCIA COM A	3	32	M	27N	8W	984	14				
HUERFANITO UNIT	82	25	L	27N	9W	3,691	41				
NAVAJO 1	1	25	G	27N	9W	871	17				
HUERFANITO UNIT	86A	36	C	27N	9W	805	87				
<b>TOTAL</b>						<b>48,466</b>	<b>511</b>	<b>455</b>	<b>23</b>	<b>22,461</b>	<b>282</b>
<b>AVERAGE</b>						<b>1,425</b>	<b>15</b>	<b>228</b>	<b>12</b>	<b>977</b>	<b>12</b>

Proposed Allocations	Gas %	Oil %	
	Mesaverde	54%	38%
	Mancos	9%	30%
	Dakota	37%	32%

31  
31

District I  
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

**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

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

**APPLICATION FOR DOWNHOLE COMMINGLING**

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

Operator **Bolack C** Address **Unit O, Sec 31, T27N, R8W** San Juan

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 167067 Property Code \_\_\_\_\_ API No. 30-045-31911 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<b>Blanco Mesaverde</b>	<b>Wildcat Basin Mancos</b>	<b>Basin Dakota</b>
Pool Code	<b>72319</b>	<b>97232</b>	<b>71599</b>
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	<b>3,535' – 4,598' Perforated</b>	<b>4,598' – 6,264' Perforated</b>	<b>6,316' – 6,585' Perforated</b>
Method of Production (Flowing or Artificial Lift)	<b>Flowing</b>	<b>Flowing</b>	<b>Flowing</b>
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)	<b>Est 300 psig</b>	<b>Est 340 psig</b>	<b>Est 300 psig</b>
Oil Gravity or Gas BTU (Degree API or Gas BTU)	<b>1399</b>	<b>1148</b>	<b>1414</b>
Producing, Shut-In or New Zone	<b>New Zone</b>	<b>New Zone</b>	<b>New Zone</b>
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.)	<b>Date:</b> <b>Rates:</b>	<b>Date:</b> <b>Rates:</b>	<b>Date:</b> <b>Rates:</b>
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	<b>Oil Gas Water</b> <b>38 % 54 % 38 %</b>	<b>Oil Gas Water</b> <b>9% 36% 9%</b> <i>31</i>	<b>Oil Gas Water</b> <b>37% 32% 37%</b> <i>31 37</i>

**ADDITIONAL DATA**

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

**PRE-APPROVED POOLS**

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 Darrin Steed TITLE Regulatory Supervisor DATE January 7, 2004

TYPE OR PRINT NAME Darrin Steed TELEPHONE NO. ( 505 ) 324-1090

E-MAIL ADDRESS Darrin\_Steed@XTOEnergy.com

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, N.M. 88211-0719

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

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
gy. Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
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 3004531911		<sup>2</sup> Pool Code 97232	<sup>3</sup> Pool Name BASIN MANOS
<sup>4</sup> Property Code	<sup>5</sup> Property Name BOLACK C		<sup>6</sup> Well Number 19
<sup>7</sup> GRID No. 167067	<sup>8</sup> Operator Name XTO ENERGY INC.		<sup>9</sup> Elevation 6130

<sup>10</sup> Surface Location

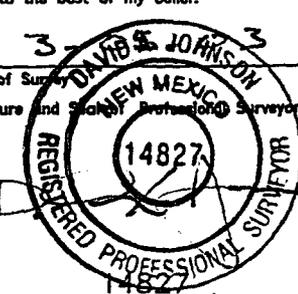
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	31	27-N	8-W		725	SOUTH	1345	EAST	SAN JUAN

<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 160 SE/4		<sup>13</sup> Joint or Infill		<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

LOT 1	LOT 2	LOT 3	LOT 4	QTR. CORNER FD 3 1/4" BC 1955 BLM		QTR. CORNER FD 3 1/4" BC 1955 BLM		<p><b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature: <u>Jeffrey W Patton</u> Printed Name: <u>JEFFREY W PATTON</u> Title: <u>DRILLING ENGINEER</u> Date: <u>9-18-03</u></p> <p><b>18 SURVEYOR CERTIFICATION</b> 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.</p> <p>Date of Survey: <u>3</u> Signature and State: <u>DAVID S JOHNSON</u> Registered Professional Surveyor:  Certificate Number: <u>14827</u></p>
				LAT. 36°31'32" N. (NAD 83) LONG. 107°43'07" W (NAD 83)		N 00-51-01 E 2662.0'		
				1226'		1345'		
				QTR. CORNER FD 3 1/4" BC 1955 BLM		SEC. CORNER FD 3 1/4" BC 1955 BLM		

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, N.M. 88211-0719

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

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Department of Minerals & Natural Resources

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
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 3004531911		<sup>2</sup> Pool Code 71599	<sup>3</sup> Pool Name BASIN DAKOTA
<sup>4</sup> Property Code	<sup>5</sup> Property Name BOLACK C		<sup>6</sup> Well Number 19
<sup>7</sup> GRID No. 167067	<sup>8</sup> Operator Name XTO ENERGY INC.		<sup>9</sup> Elevation 6130

<sup>10</sup> Surface Location

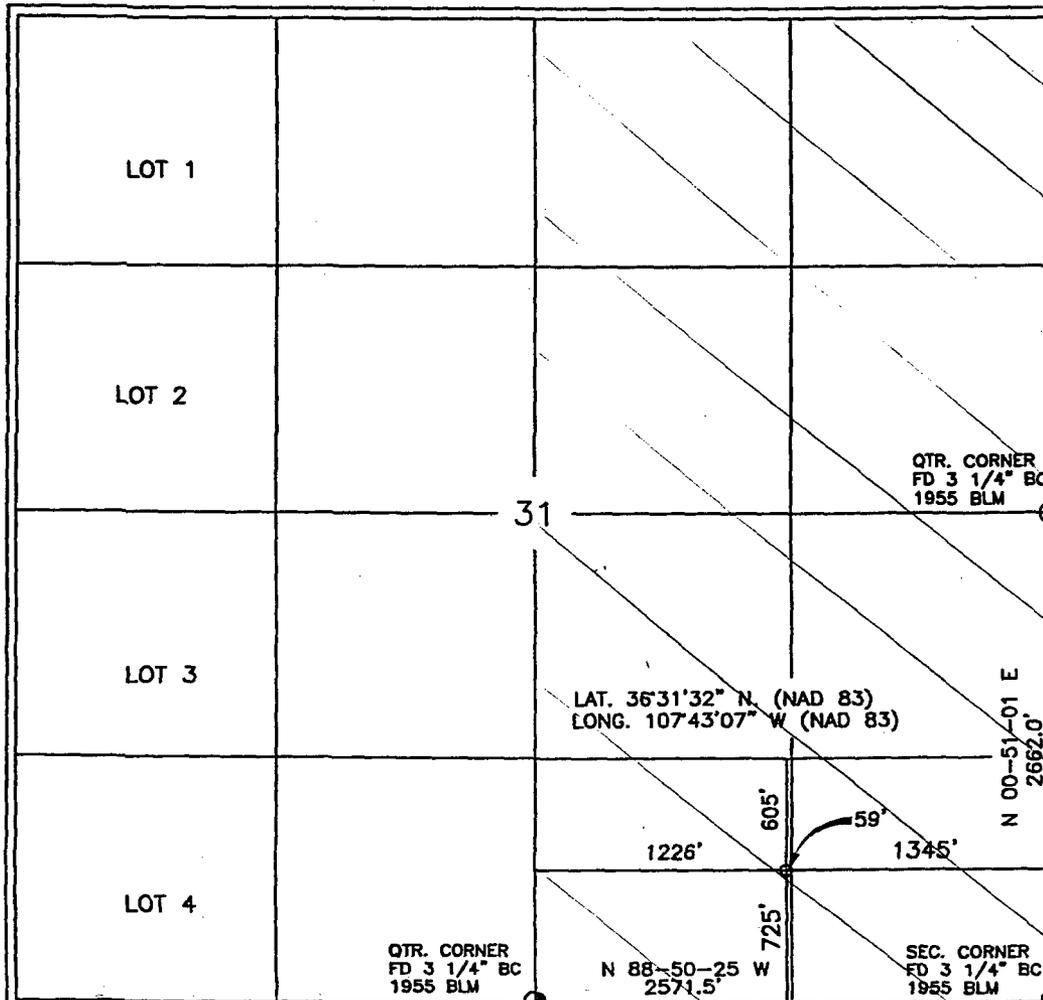
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	31	27-N	8-W		725	SOUTH	1345	EAST	SAN JUAN

<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 320 E/2		<sup>13</sup> Joint or Infill I		<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



<sup>17</sup> OPERATOR CERTIFICATION

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

Signature: *JW Patton*  
Printed Name: JEFFREY W PATTON  
Title: DRILLING ENGINEER  
Date: 9-18-03

<sup>18</sup> 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: 3  
Signature and State of Professional Surveyor: *DAVID S JOHNSON*  
Certificate Number: 14827

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, N.M. 88211-0719

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

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
y, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
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 3004531911	<sup>2</sup> Pool Code 72319	<sup>3</sup> Pool Name Blanco Mosavverde
<sup>4</sup> Property Code	<sup>5</sup> Property Name BOLACK C	<sup>6</sup> Well Number 19
<sup>7</sup> OGRID No. 1107007	<sup>8</sup> Operator Name XTO ENERGY INC.	<sup>9</sup> Elevation 6130

<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
0	31	27-N	8-W		725	SOUTH	1345	EAST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

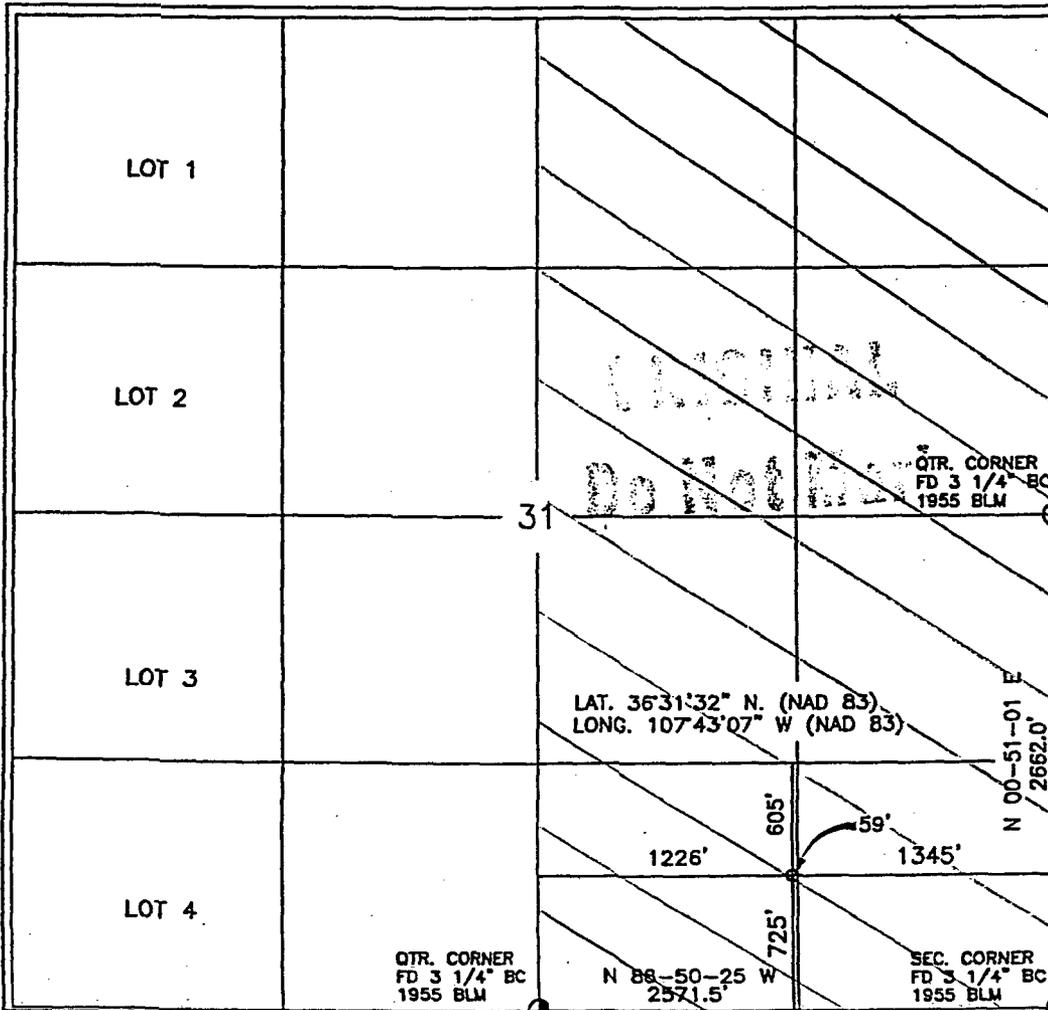
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 320 E12	<sup>13</sup> Joint or Infill I	<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



17 OPERATOR CERTIFICATION

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

Kelly K Small  
Signature  
Kelly K Small  
Printed Name  
Drilling Assistant  
Title  
2/1/03  
Date

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.

3  
Date of Survey  
DAVID S. JOHNSON  
Signature and State Professional Surveyor  
14827  
Certificate Number