

DATE IN 12-29	SUSPENSE	ENGINEER R.E.	LOGGED IN 12/29	TYPE PC	P76W APP NO. 0936333890
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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
RECEIVED
 2009 DEC 29 AM 8 17

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]

Monument 36 State #1

30-025-34560

- [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.

Kristy Ward	<i>Kristy Ward</i>	Regulatory Analyst	12-22-09
Print or Type Name	Signature	Title	Date
		kristy_ward@xtoenergy.com	
		e-mail Address	

Monument 36 State 1
Surface Commingle Cont'd.

The Monument 36 State #1 is currently being plugged back to the Drinkard interval from the Abo formation. The Abo was abandoned in on 8/20/09 with a CIBP set at ~~7198~~. We perforated the Drinkard from 7210'-7263'. We are in the process of recompleting and testing this well. Since this is a three well lease of which the other two (Monument 36 State #2 and #3) are completed in the Abo interval, and since this is a small lease, we would like to upon completion of the Drinkard is to produce the Monument 36 State #1 through a three phase separator measuring the oil, water, and gas daily. The fluid would then be dumped into the Abo battery and then sold with the existing Abo oil. The gas would be sent from the separator to the existing Abo meter run. The gas will be metered daily through electronic flow meter.

7269

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 & Natural Resources

Form C-102
Revised October 12, 2005

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34560	² Pool Code 28390 & 28370	³ Pool Name Goodwin; Drinkard & Abo
⁴ Property Code 300722	⁵ Property Name Momentum "36" State	⁶ Well Number 1, 2 & 3
⁷ OGRID No. 005380	⁸ Operator Name XTO Energy, Inc.	⁹ Elevation

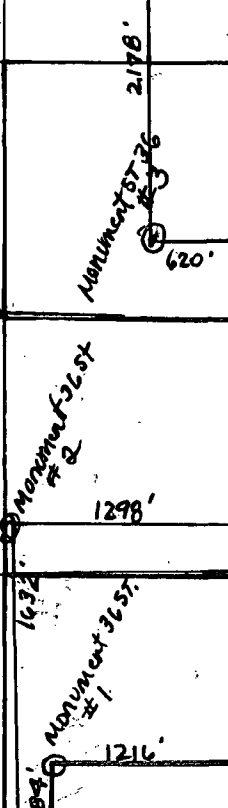
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
See Attach	ed 36	18S	36E						Lea

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 40	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						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 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: <u>Kristy Ward</u> Date: <u>12/21/09</u> Printed Name: <u>Kristy Ward</u> Regulatory Analyst
						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 Signature and Seal of Professional Surveyer:
						Certificate Number

Monument 36 State #1, 2, & 3
Surface Commingle
C-102 Cont'd.

Legal Descriptions

Monument 36 State #1 – 30-025-34560 – Drinkard Pool

Unit Ltr. P, Section 36, T-18S, R-36E - 384' FSL & 1216' FEL

Monument 36 State #2 – 30-025-34561 – Abo Pool

Unit Ltr. I, Section 36, T-18S, R-36E - 1632' FSL & 1298' FEL

Monument 36 State #3 – 30-025-34533 – Abo Pool

Unit Ltr. H, Section 36, T-18S, R-36E - 2178' FNL & 620' FEL

XTO
ENERGY
200 N. Loraine, Ste. 800
Midland, TX 79701

REC'D/MIDLAND

DEC 22 2009

December 17, 2009

Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Reference: Monument 36 State
Surface Commingle

This is to certify that the ownership in all pools and leases to be commingled are identical, as defined in Section: 19.15.5.303 - B(3)(b)(iii). Please see below:

The WI for all three wells is 100% XTO. The net revenue interest for XTO is 87.5% with a 12.5 RI for New Mexico Commissioner of Public Lands. A copy of this Surface Commingle package was sent by certified mail to New Mexico Commissioner of Public Lands Office.



Steven Cobb
Landman

12.21.09

Date



December 22, 2009

State of New Mexico
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87504-1148

Application to Surface Commingle
Monument 36 State #1
API 30-025-34560

To Whom It May Concern:

This letter is to notify you that XTO Energy Inc. has submitted to the Oil Conservation Division an application to surface commingle the subject well. Our records indicate that you have a 12.5 revenue interest in this well. Attached is a copy of the application sent to the Oil Conservation Division for your review.

If you have any questions please call me at 432-620-6740.

Sincerely,

Kristy Ward
Regulatory

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

State of New Mexico
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87504-1148

2. Article Number

(Transfer from service label)

7007 2560 0002 4760 3760
7007 2560 0002 4760 3760

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
(Domestic Mail Only. No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Postmark Here	
Sent to State of NM - Comm of Public Lands	
Street, Apt. No., or PO Box No. 310 Old Santa Fe Trail	
City, State, ZIP+4 Santa Fe, NM 87504-1148	
PS Form 3800, August 2006	

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent
X ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

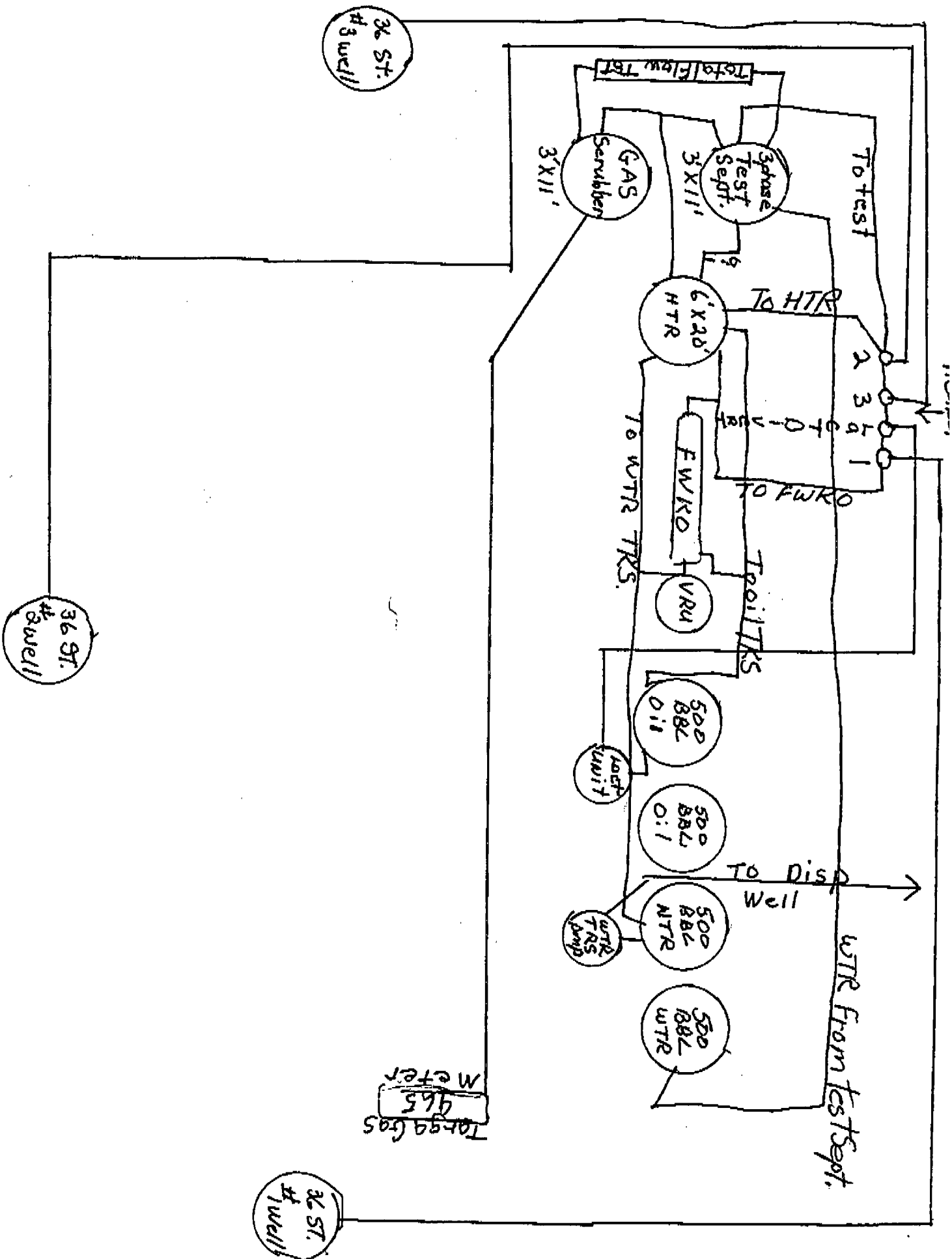
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

XTO Energy Inc. · 200 North Lorain

7007 2560 0002 4760 3760





PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

January 6, 2010

REC'D/MIDLAND

JAN 11 2010

XTO Energy
200 North Loraine, Suite 800
Midland, Texas 79701

Attn: Ms. Kristy Ward

Re: Surface Commingling Application
Goodwin; Drinkard & Abo Pools
Monument 36 State Well Nos. 1, 2 and 3
Section 36-18S-36E, Lease No. B-2657-0
Lea County, New Mexico

Dear Ms. Ward:

We are in receipt of your letter of December 22, 2009. Your letter requests our approval to surface commingle the Monument 36 State #1 (30-025-34560) Drinkard production with the existing Abo production currently being produced from the Monument 36 State Well Nos. 2 (30-025-34561) and 3 (30-025-34533).

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please submit a \$30.00 dollar filing fee.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS.
COMMISSIONER OF PUBLIC LANDS

BY:
JAMI BAILEY, Director
Oil, Gas and Minerals Division
PL/JB/pm

pc: Reader File
OCD-Attention: Ed Martin

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University