

1/23/04

DHC

LR

PLR0402626899

DRC



RECEIVED

JAN 23 2004

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

3237

January 15, 2004

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

RE: Application for Exception to Rule 303-C Downhole Commingle
Riddle Gas Com A #1R
Unit G, Sec. 09, T 27 N, R-09 W
San Juan County, New Mexico

Dear Ms. Wrotenberry,

XTO Energy Inc. respectfully request approval to modify the existing downhole commingle order DHC 863AZ by the addition of the Otero Chacra formation to the existing DHC order. Presently DHC 863AZ pertains to the downhole commingling of the Blanco Mesaverde and the Basin Dakota pools in the Riddle Gas Com A #1R. The pools are presently completed and separated by CIBP. Upon approval of the downhole commingling application, the CIBP will be drilled out and the pools commingled. The WI, NRI and ORRI interests are common between the three pools. Downhole commingling will offer an economic method of production, will improve recovery of liquids, eliminating redundant surface equipment and maximize compressor efficiency.

Based upon the last three months production analysis for the and the Otero Chacra, Blanco Mesaverde and the Basin Dakota formation the following allocation percentages were determined:

| | | | |
|--------------------------|---------|------------|---------|
| Basin Dakota (71599) | Oil 64% | Water 41% | Gas 32% |
| Blanco Mesaverde (72319) | Oil 36% | Water 23% | Gas 32% |
| Otero Chacra (82329) | Oil 0% | Water 36 % | Gas 36% |

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

Sincerely,

Loren W. Fothergill
Production Engineer

Cc: TWD
LWF
George Cox – FTW Land
Well File

Well: RIDDLE GAS COM A **No.:** 001R

Operator: XTO ENERGY, INC. [NM SLO data]

API: 3004531138 **Township:** 27.0N **Range:** 09W

Section: 9 **Unit:** G

Land Type: P **County:** San Juan **Total Acreage:** 788.54

Number of Completion with Acreage: 3

Accumulated:

Oil: 469 (BBLs) **Gas:** 40519 (MCF)

Water: 2919 (BBLs) **Days Produced:** 98 (Days)

Year: 2002

Pool Name: BASIN DAKOTA (PRORATED GAS)

| Month | Oil(BBLS) | Gas(MCF) | Water(BBL S) | Days Produced | Accum. Oil(BBLS) | Accum. Gas(MCF) |
|-----------|-----------|----------|--------------|---------------|------------------|-----------------|
| January | 0 | 0 | 0 | 0 | 0 | 0 |
| February | 0 | 0 | 0 | 0 | 0 | 0 |
| March | 0 | 0 | 0 | 0 | 0 | 0 |
| April | 0 | 0 | 0 | 0 | 0 | 0 |
| May | 0 | 0 | 0 | 0 | 0 | 0 |
| June | 0 | 0 | 0 | 0 | 0 | 0 |
| July | 0 | 0 | 0 | 0 | 0 | 0 |
| August | 0 | 0 | 0 | 0 | 0 | 0 |
| September | 0 | 0 | 0 | 0 | 0 | 0 |
| October | 0 | 0 | 0 | 0 | 0 | 0 |
| November | 54 | 577 | 102 | 4 | 54 | 577 |
| December | 85 | 4570 | 416 | 0 | 139 | 5147 |
| Total | 139 | 5147 | 518 | 4 | | |

Pool Name: BLANCO-MESAVERDE (PRORATED GAS)

| Month | Oil(BBLS) | Gas(MCF) | Water(BBL S) | Days Produced | Accum. Oil(BBLS) | Accum. Gas(MCF) | |
|----------|-----------|----------|--------------|---------------|------------------|-----------------|------|
| January | 0 | 0 | 0 | 0 | 0 | 139 | 5147 |
| February | 0 | 0 | 0 | 0 | 0 | 139 | 5147 |
| March | 0 | 0 | 0 | 0 | 0 | 139 | 5147 |
| April | 0 | 0 | 0 | 0 | 0 | 139 | 5147 |
| May | 0 | 0 | 0 | 0 | 0 | 139 | 5147 |
| June | 0 | 0 | 0 | 0 | 0 | 139 | 5147 |
| July | 0 | 0 | 0 | 0 | 0 | 139 | 5147 |
| August | 0 | 0 | 0 | 0 | 0 | 139 | 5147 |

| | | | | | | |
|-----------|----|------|-----|---|-----|-------|
| September | 0 | 0 | 0 | 0 | 139 | 5147 |
| October | 0 | 0 | 0 | 0 | 139 | 5147 |
| November | 30 | 601 | 58 | 4 | 169 | 5748 |
| December | 48 | 4757 | 234 | 0 | 217 | 10505 |
| Total | 78 | 5358 | 292 | 4 | | |

Year: 2003

Pool Name: BASIN DAKOTA (PRORATED GAS)

| Month | Oil(BBLS) | Gas(MCF) | Water(BBL S) | Days Produced | Accum. Oil(BBLS) | Accum. Gas(MCF) |
|-----------|-----------|----------|--------------|---------------|------------------|-----------------|
| January | 37 | 2187 | 256 | 31 | 254 | 12692 |
| February | 25 | 1396 | 154 | 0 | 279 | 14088 |
| March | 35 | 1370 | 102 | 0 | 314 | 15458 |
| April | 15 | 1265 | 154 | 0 | 329 | 16723 |
| May | 19 | 1698 | 153 | 0 | 348 | 18421 |
| June | 12 | 1695 | 102 | 0 | 360 | 20116 |
| July | 8 | 1578 | 102 | 0 | 368 | 21694 |
| August | 11 | 1178 | 74 | 0 | 379 | 22872 |
| September | 0 | 0 | 0 | 0 | 379 | 22872 |
| October | 0 | 0 | 0 | 0 | 379 | 22872 |
| November | 0 | 0 | 0 | 0 | 379 | 22872 |
| December | 0 | 0 | 0 | 0 | 379 | 22872 |
| Total | 162 | 12367 | 1097 | 31 | | |

Pool Name: BLANCO-MESAVERDE (PRORATED GAS)

| Month | Oil(BBLS) | Gas(MCF) | Water(BBL S) | Days Produced | Accum. Oil(BBLS) | Accum. Gas(MCF) |
|-----------|-----------|----------|--------------|---------------|------------------|-----------------|
| January | 21 | 2277 | 144 | 31 | 400 | 25149 |
| February | 13 | 1454 | 86 | 0 | 413 | 26603 |
| March | 20 | 1425 | 58 | 0 | 433 | 28028 |
| April | 8 | 1315 | 86 | 0 | 441 | 29343 |
| May | 10 | 1767 | 86 | 0 | 451 | 31110 |
| June | 8 | 1764 | 58 | 0 | 459 | 32874 |
| July | 4 | 1643 | 58 | 0 | 463 | 34517 |
| August | 6 | 1225 | 41 | 0 | 469 | 35742 |
| September | 0 | 0 | 0 | 0 | 469 | 35742 |
| October | 0 | 0 | 0 | 0 | 469 | 35742 |
| November | 0 | 0 | 0 | 0 | 469 | 35742 |
| December | 0 | 0 | 0 | 0 | 469 | 35742 |
| Total | 90 | 12870 | 617 | 31 | | |

Pool Name: OTERO CHACRA (GAS)

| Month | Oil(BBLS) | Gas(MCF) | Water(BBL S) | Days Produced | Accum. Oil(BBLS) | Accum. Gas(MCF) |
|-----------|-----------|----------|--------------|---------------|------------------|-----------------|
| January | 0 | 0 | 0 | 0 | 469 | 35742 |
| February | 0 | 0 | 0 | 0 | 469 | 35742 |
| March | 0 | 0 | 0 | 0 | 469 | 35742 |
| April | 0 | 0 | 0 | 0 | 469 | 35742 |
| May | 0 | 0 | 0 | 0 | 469 | 35742 |
| June | 0 | 0 | 0 | 0 | 469 | 35742 |
| July | 0 | 0 | 0 | 0 | 469 | 35742 |
| August | 0 | 0 | 0 | 0 | 469 | 35742 |
| September | 0 | 4777 | 395 | 28 | 469 | 40519 |
| October | 0 | 2306 | 160 | 28 | 469 | 42825 |
| November | 0 | 2179 | 80 | 30 | 469 | 45004 |
| December | 0 | 1298 | 80 | 31 | 469 | 46302 est |
| Total | 0 | 10560 | 715 | 117 | | |

| 3 month avg production | CH | MV | DK |
|------------------------|------|------|------|
| MCFPM | 1928 | 1725 | 1657 |
| BWPM | 107 | 67 | 119 |
| BOPM | 0 | 7.3 | 13 |

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, 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 Department

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

Form C-102
Revised August 15, 2000

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---|--|--|--|--|---------------------------------|
| ¹ API Number 30-045-31138 | | ² Pool Code 82329 | | ³ Pool Name Otero Chacra | |
| ⁴ Property Code | | ⁵ Property Name Riddle Gas Com A | | | ⁶ Well Number 1R |
| ⁷ OGRID No. 167067 | | ⁸ Operator Name XTO Energy Inc | | | ⁹ Elevation 6612' |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| G | 9 | 27N | 9W | | 2,110' | North | 1,580' | East | San Juan |
| | | | | | | | | | |

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 160 | 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 | | | | <p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Darrin Steed</i> Signature</p> <p>Darrin Steed Printed Name</p> <p>Regulatory Supervisor</p> <p>Title</p> <p>August 8, 2003 Date</p> |
| | <p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>March 27, 2002</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> | | | |
| | <p>Original signed by David A. Johnson</p> <p>14827</p> <p>Certificate Number</p> | | | |
| | | | | |

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
Energy, 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

| | | | | | |
|--|--|--|--|--|--------------------------------|
| ¹ API Number 30045-31138 | | ² Pool Code 71599 | | ³ Pool Name BASIN DAKOTA | |
| ⁴ Property Code 30048 | | ⁵ Property Name RIDDLE GAS COM A | | | ⁶ Well Number 1R |
| ⁷ GRID No. 167067 | | ⁸ Operator Name XTO ENERGY INC. | | | ⁹ Elevation 6212 |

¹⁰ Surface Location

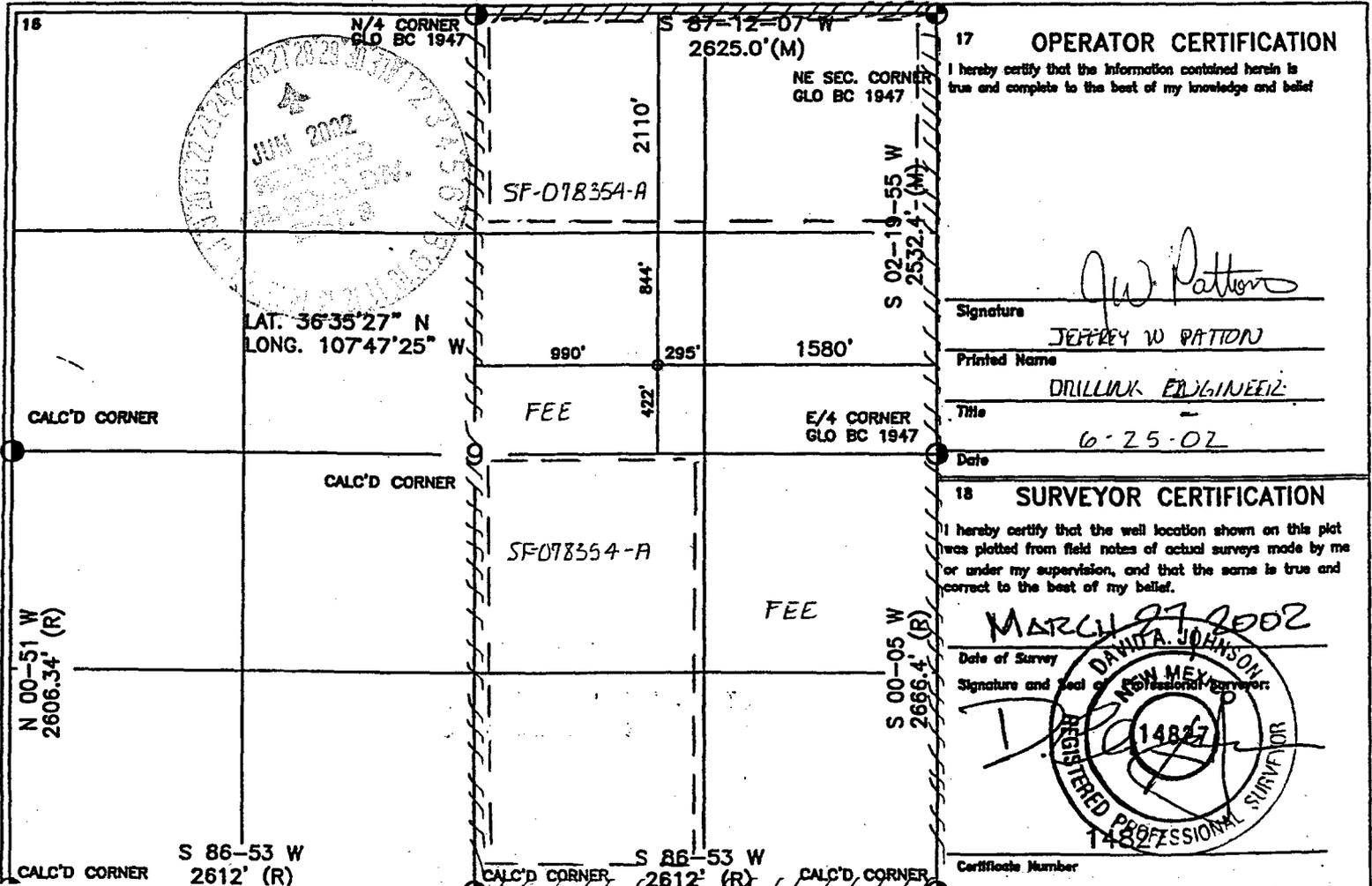
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| G | 9 | 27-N | 9-W | | 2110 | NORTH | 1580 | EAST | SAN JUAN |

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 316.18 | ¹³ Joint or Infill E/2 | ¹⁴ Consolidation Code I | 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



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

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Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|--|--|
| ¹ API Number 30-045-31138 | ² Pool Code 72319 | ³ Pool Name BLANCO MESAVERDE |
| ⁴ Property Code 30048 | ⁵ Property Name RIDDLE GAS COM A | |
| ⁷ GRID No. 167067 | ⁶ Operator Name XTO ENERGY INC. | ⁸ Well Number 1R |
| ⁹ Elevation 6212 | | |

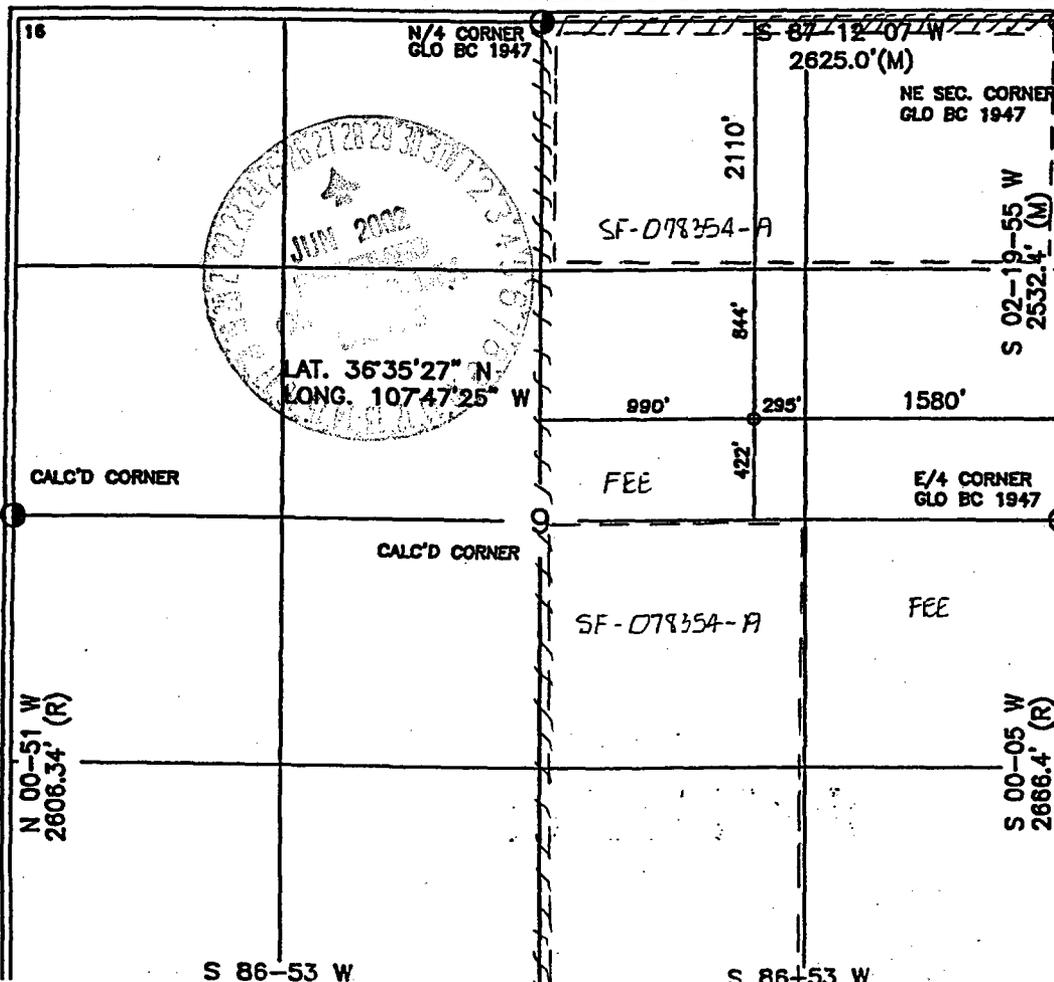
¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| G | 9 | 27-N | 9-W | | 2110 | NORTH | 1580 | EAST | SAN JUAN |

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 316.18 | | ¹³ Joint or Int'l E/ Z | | ¹⁴ Consolidation Code I | | ¹⁵ Order No. | | | |

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17 OPERATOR CERTIFICATION

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

Signature: *Jeffrey W. Patton*

Printed Name: JEFFREY W. PATTON

Title: DRILLING ENGINEER

Date: 6-25-02

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: MARCH 27 2002

Signature and Seal of Registered Professional Surveyor: *DANIELA JOHNSON*

Professional Surveyor Seal: DANIELA JOHNSON, REGISTERED PROFESSIONAL SURVEYOR, NEW MEXICO, 14867

Certificate Number: 14867