pRRV0207455567 PC NA

XTO ENERGY

MAR 14

March 11, 2002

Mr. David Catanach
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RE: Administrative Approval to Surface Commingle
Florance #64 & Florance D LS #15
Sec 17, T-27-N R-8-W
San Juan County, New Mexico

Dear Mr. Catanach,

XTO Energy, Inc. (XTO) requests administrative approval to surface commingle the Florance #64 and the Florance D LS #15. All gas would be surfaced commingled through a single existing separator. Each well's oil and water production will be kept separate and not commingled at this time.

Utilizing a single wellhead compressor will help both wells overcome sales line pressure and thereby maximizing each well's productivity. The lower operating costs resulting from shared compression will extend the economic life of all wells thus increasing their ultimate recoveries.

The following are enclosed for your review of the proposed surface commingling amendment.

1. Well information table.
2. Gas production allocation formula sheet.
3. Battery schematic of proposed installation.
4. Well location plat.

If you need additional information or have any questions, please give me a call at (505) 324-1090.
564-6723

Sincerely,
XTO ENERGY, INC

Darrin Steed

Darrin L. Steed
Operations Engineer

Enclosures

Cc: Gary Markestad
Well File
DLS File

C:\Work\Surface Commingles\SC Florance #64 & #15.doc

Florance #64 & Florance D LS #15

Well Information

	Florance #64	Florance D LS #15
Location	Sec 17O, T27N R8W	Sec 17P, T27N R8W
Formation	Mesaverde/Dakota	Pictured Cliffs
API #	30-045-11872	30-045-06450
Pool Name	Blanco/Basin	South Blanco
Pool Code	72319/71599	72439
Gas Gravity	.83	.659
Gas Rate (MCFD)	200.5	15.7
Oil Gravity		NA
Oil Rate (BPD)	2.2	0
Water Rate (BPD)	1.2	0

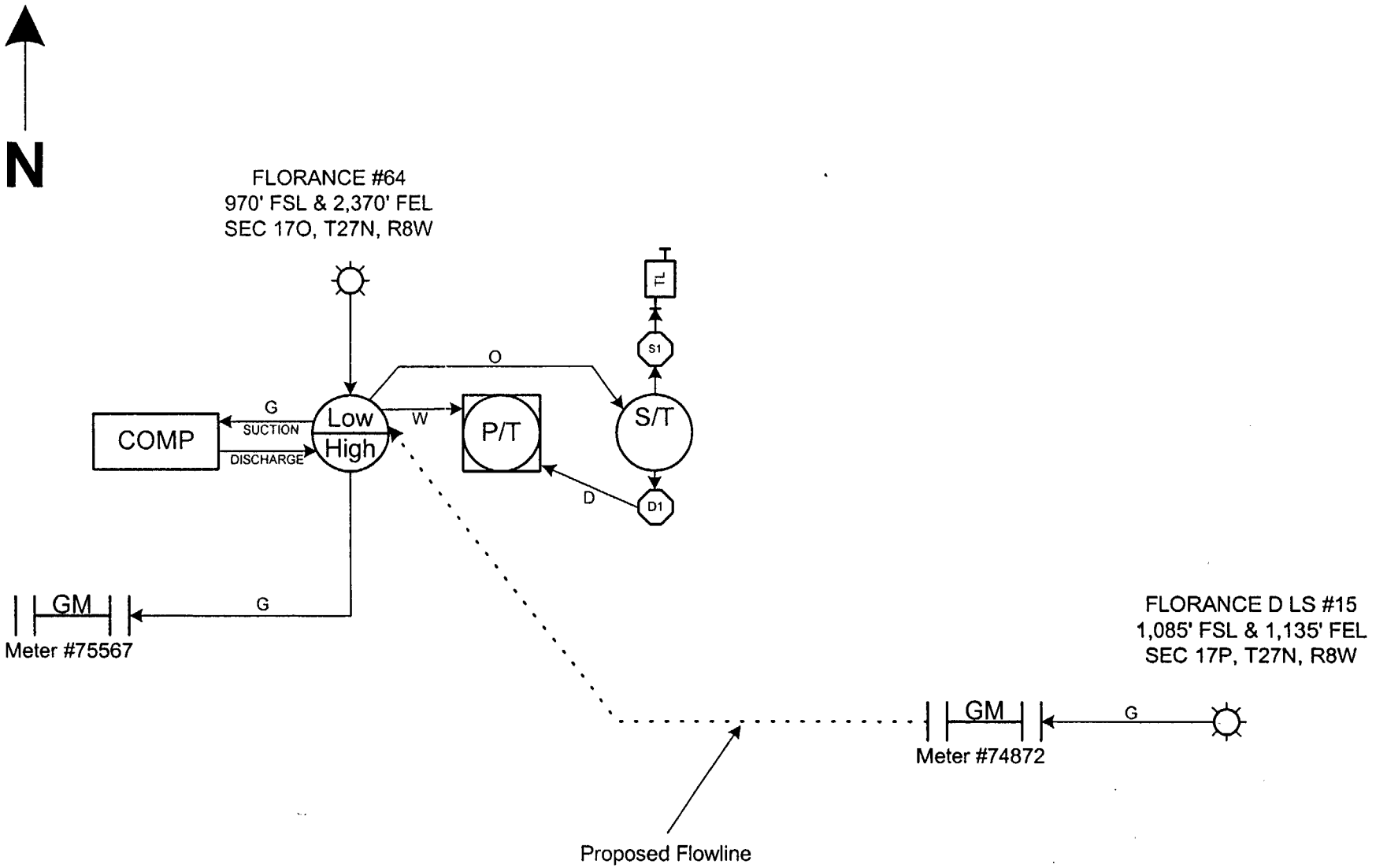
Gas Allocation Formula

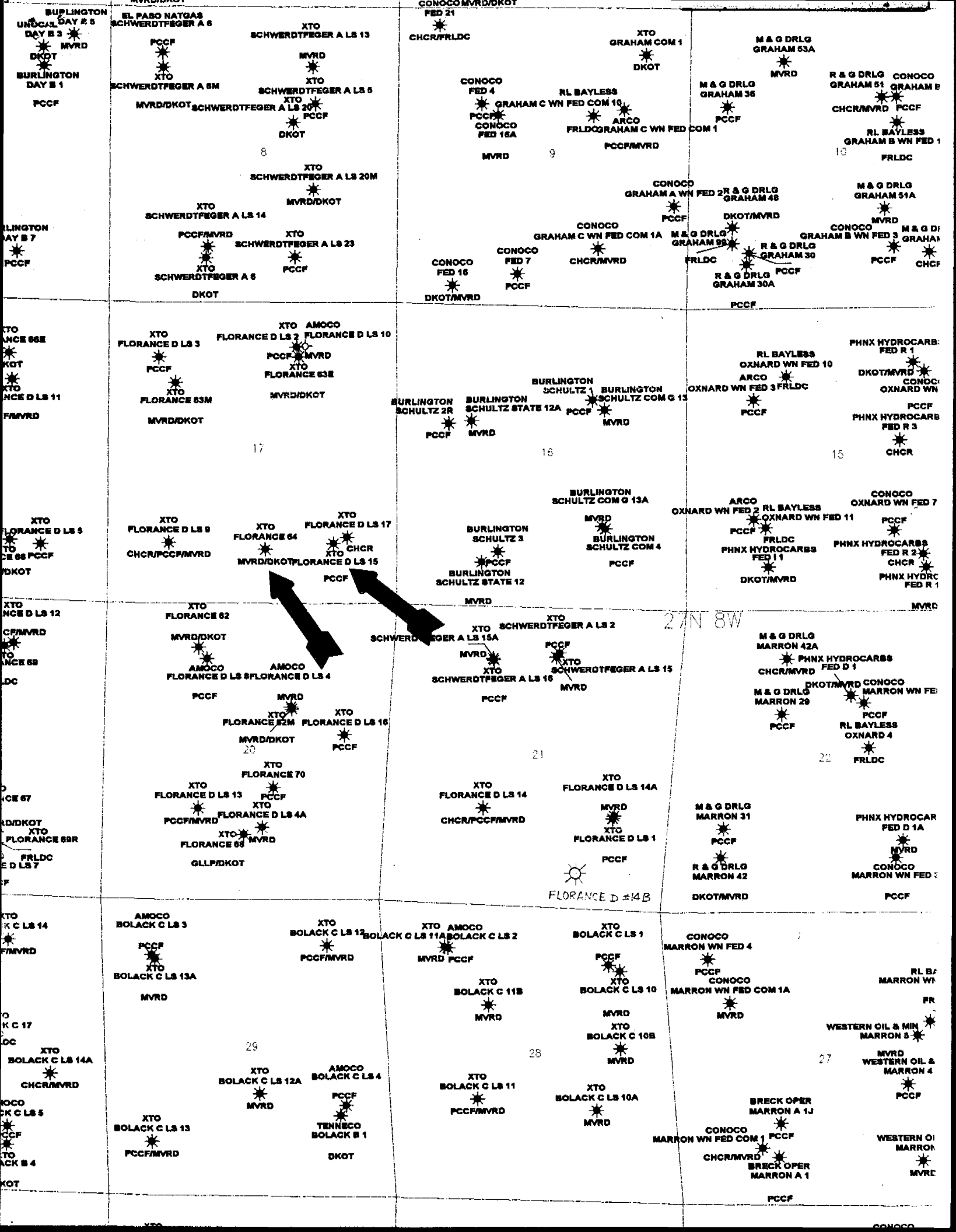
The El Paso Field Services (EPFS) meter and meter runs will remain in place. Gas volumes for the Florance #64 will be determined by the following formula:

Florance #64 Production = Meter #75567 – Meter #74872 + Allocated fuel gas

The compressor's fuel gas will be allocated between both wells. Since the Florance D LS #15 makes no oil or water no commingling of liquids will occur. Production and sales will be based on actual measured volumes from each well.

XTO ENERGY, INC
PROPOSED COMMINGLING SCHEMATIC
FLORANCE #64 & FLORANCE D LS #15
SE/4 SEC. 17, T27N, R08W
Fed Lease #: NMNM - 03380




BURLINGTON UNOCAL DAY # 5
BURLINGTON DAY B 3
MVRD
DKOT
BURLINGTON DAY B 1
PCCF
EL PASO NATGAS SCHWERDTFEGER A 6
PCCF
XTO SCHWERDTFEGER A 6M
MVRD/DKOT
XTO SCHWERDTFEGER A LS 13
MVRD
XTO SCHWERDTFEGER A LS 5
XTO SCHWERDTFEGER A LS 20
PCCF
DKOT
8
XTO SCHWERDTFEGER A LS 20M
MVRD/DKOT
XTO SCHWERDTFEGER A LS 14
PCCF/MVRD
XTO SCHWERDTFEGER A LS 23
PCCF
XTO SCHWERDTFEGER A 6
DKOT
CONOCO MVRD/DKOT
FED 21
CHCR/FRLDC
XTO GRAHAM COM 1
DKOT
CONOCO FED 4
PCCF
GRAHAM C WN FED COM 10
RL BAYLESS
ARCO
CONOCO FED 16A
FRLDC
GRAHAM C WN FED COM 1
PCCF/MVRD
MVRD
9
M & G DRLG GRAHAM 53A
MVRD
M & G DRLG GRAHAM 35
PCCF
R & G DRLG GRAHAM 51
CONOCO GRAHAM B
CHCR/MVRD
PCCF
RL BAYLESS GRAHAM B WN FED 1
FRLDC
10
CONOCO GRAHAM A WN FED 2
PCCF
R & G DRLG GRAHAM 48
DKOT/MVRD
CONOCO GRAHAM C WN FED COM 1A
CHCR/MVRD
M & G DRLG GRAHAM 99
FRLDC
R & G DRLG GRAHAM 30
PCCF
R & G DRLG GRAHAM 30A
PCCF
CONOCO FED 7
PCCF
CONOCO FED 16
DKOT/MVRD
M & G DRLG GRAHAM 51A
MVRD
CONOCO GRAHAM B WN FED 3
PCCF
M & G DRLG GRAHAM
CHCR
XTO FLORANCE D LS 3
PCCF
XTO FLORANCE 63M
MVRD/DKOT
XTO AMOCO FLORANCE D LS 2
FLORANCE D LS 10
PCCF MVRD
XTO FLORANCE 63E
MVRD/DKOT
17
BURLINGTON SCHULTZ 2R
PCCF
BURLINGTON SCHULTZ STATE 12A
MVRD
BURLINGTON SCHULTZ 1
BURLINGTON SCHULTZ COM G 13
PCCF
MVRD
16
RL BAYLESS OXNARD WN FED 10
ARCO OXNARD WN FED 3
FRLDC
PCCF
PHNX HYDROCARB FED R 1
DKOT/MVRD
CONOCO OXNARD WN
PCCF
PHNX HYDROCARB FED R 3
CHCR
15
XTO FLORANCE D LS 9
CHCR/PCCF/MVRD
XTO FLORANCE 64
MVRD/DKOT
XTO FLORANCE D LS 17
CHCR
XTO FLORANCE D LS 15
PCCF
BURLINGTON SCHULTZ COM G 13A
MVRD
BURLINGTON SCHULTZ 3
PCCF
BURLINGTON SCHULTZ COM 4
PCCF
BURLINGTON SCHULTZ STATE 12
MVRD
ARCO OXNARD WN FED 2
RL BAYLESS OXNARD WN FED 11
PCCF
FRLDC
PHNX HYDROCARBS FED I 1
DKOT/MVRD
CONOCO OXNARD WN FED 7
PCCF
PHNX HYDROCARBS FED R 2
CHCR
MVRD
XTO FLORANCE 62
MVRD/DKOT
AMOCO FLORANCE D LS 8
AMOCO FLORANCE D LS 4
PCCF
MVRD
XTO FLORANCE 62M
MVRD/DKOT
XTO FLORANCE D LS 16
PCCF
20
XTO SCHWERDTFEGER A LS 15A
MVRD
XTO SCHWERDTFEGER A LS 18
PCCF
XTO SCHWERDTFEGER A LS 2
PCCF
XTO SCHWERDTFEGER A LS 15
MVRD
21
27N 8W
M & G DRLG MARRON 42A
PHNX HYDROCARBS FED D 1
CHCR/MVRD
DKOT/MVRD
CONOCO MARRON WN FE
M & G DRLG MARRON 29
PCCF
RL BAYLESS OXNARD 4
FRLDC
22
XTO FLORANCE 70
PCCF
XTO FLORANCE D LS 13
PCCF/MVRD
XTO FLORANCE D LS 4A
MVRD
XTO FLORANCE 68
GLLP/DKOT
XTO FLORANCE D LS 14
CHCR/PCCF/MVRD
XTO FLORANCE D LS 14A
MVRD
XTO FLORANCE D LS 1
PCCF
FLORANCE D #14B
M & G DRLG MARRON 31
PCCF
R & G DRLG MARRON 42
DKOT/MVRD
PHNX HYDROCAR FED D 1A
MVRD
CONOCO MARRON WN FED
PCCF
AMOCO BOLACK C LS 3
PCCF
XTO BOLACK C LS 13A
MVRD
XTO BOLACK C LS 12
PCCF/MVRD
29
XTO BOLACK C LS 12A
MVRD
AMOCO BOLACK C LS 4
PCCF
TENNECO BOLACK B 1
DKOT
XTO BOLACK C LS 13
PCCF/MVRD
XTO BOLACK C LS 11A
MVRD
AMOCO BOLACK C LS 2
PCCF
XTO BOLACK C LS 11B
MVRD
XTO BOLACK C LS 11
PCCF/MVRD
28
XTO BOLACK C LS 1
PCCF
XTO BOLACK C LS 10
MVRD
XTO BOLACK C 10B
MVRD
XTO BOLACK C LS 10A
MVRD
CONOCO MARRON WN FED 4
PCCF
CONOCO MARRON WN FED COM 1A
MVRD
BRECK OPER MARRON A 1J
PCCF
CONOCO MARRON WN FED COM 1
CHCR/MVRD
BRECK OPER MARRON A 1
PCCF
27
WESTERN OIL & MIN MARRON 5
MVRD
WESTERN OIL & MARRON 4
PCCF
WESTERN OI MARRON
MVRD

API	WELL NAME	Opr	OGRID	NS FTG	EW FTG	UL1	UL2	Sec	Tsp	Rge	TVD	D	L	Orig Form.(or Notes)	PLUG DATE	Last	Status	P. Code
30-045-	FLORANCE D LS #009	XTO	167067	1090S	1090W	M	M	17	27N	08W	5355	F	G	S BLANCO PC/OTERO CHACRA/BLANCO MV		04-2002	ACTIVE	82329
30-045-	FLORANCE #063M	XTO	167067	1450N	1190W	E	E	17	27N	08W	7627	F	G	BASIN DAKOTA/BLANCO MV		04-2002	ACTIVE	72319
30-045-	FLORANCE #064	XTO	167067	970S	2370E	O	O	17	27N	08W	7525	F	G	BASIN DAK/BLANCO MV		04-2002	ACTIVE	72319
30-045-	FLORANCE #063E	XTO	167067	980N	1770E	B	B	17	27N	08W	7525	F	G	BASIN DAKOTA/BLANCO MV		04-2002	ACTIVE	72319
30-045-	FLORANCE #064F	XTO	167067	1220S	910E	P	P	17	27N	08W	0	F	G	BLANCO MV/BASIN DK/OTERO CHACRA		NONE	NO COMPL	0
30-045-	FLORANCE D LS #015	XTO	167067	1085S	1135E	P	P	17	27N	08W	2919	F	G			04-2002	ACTIVE	72439
30-045-	FLORANCE D LS #003	XTO	167067	990N	890W	D	D	17	27N	08W	2940	F	G			04-2002	ACTIVE	72439
30-045-	FLORANCE D LS #002	XTO	167067	800N	1800E	B	B	17	27N	08W	2930	F	G			04-2002	ACTIVE	72439
30-045-	FLORANCE D LS #017	XTO	167067	1190S	890E	P	P	17	27N	08W	3884	F	G	OTERO CHACRA (P&A 6-21-00)	2000-06-21	04-2000	ZONE ABAN	0

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO

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 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

[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.

Darrin Steed	Darrin Steed	Operations Engineer	3/25/02
Print or Type Name	Signature	Title	Date

Darrin_Steed@xtoenergy.com
e-mail Address