



217129289

PC

NA

June 11, 2002

Ms. Lori Wrotenbery
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

JUN 18 2002

Re: Administrative Approval to Surface Commingle
LC Kelly #2 and LC Kelly #12
Section 5, T30N, R12W
San Juan County, New Mexico

Dear Ms. Wrotenbery,

XTO Energy Inc requests administrative approval to surface commingle the referenced wells. Surface commingling will allow the use of a single compressor to produce both wells. Oil production will not be commingled.

The gas line pressures in this area are high and compression is required to maximize recoveries. The installation of a single compressor will reduce operating expenses, minimize surface use impact, extend the life of the wells and increase ultimate recoveries. The LC Kelly #2 and LC Kelly #12 will share a common well pad. The LC Kelly #12 is in the permitting process and has not been drilled. It is scheduled to be drilled this year.

The following is enclosed for your review of the proposed commingling:

1. Well Information Table
2. Gas Allocation Method
3. Well Location Map
4. Battery schematic of proposed commingling

The LC Kelly #2 and LC Kelly #12 are located on a federal lease and have common interest. If you need additional information or have any questions, please feel free to contact me at (505)-324-1090.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas DeLong", written over a horizontal line.

Thomas DeLong
Operations Engineer

CC: NMOCD - District III (Aztec)

LC Kelly #2 and LC Kelly #12
Well Information

	LC Kelly #2	LC Kelly #12
Location	B, Sec 5, T30N, R12W	A, Sec 5, T30N, R12W
Formation	Dakota	Fruitland Coal & Pictured Cliffs
API#	30-045-09986	NA
Pool Name	Basin Dakota	Basin Fruitland Coal & Aztec Pictured Cliffs
Pool Code	71599	71629 (FC) 71280 (PC)
Gas Gravity	0.691	0.580 (estimated)
Gas Rate (MCFPD)	19	NA
Oil Gravity	51 (estimated)	NA
Oil Rate (BPD)	0.12	NA
Water Rate (BPD)	0.29	NA

T-30-N, R-12-W

XTO
LC KELLY 1E
3 451
1 69
3209-0105
DKOT

BURLINGTON
HOLDER A 1E
2/2 269/359
0/0 0/70
8202-9312/8202-0104
DKTA/GLLP

MIDDLE BAY OIL
NMEX FEDN 6E
XAKOMA FEDERAL 6 2 3 512
LOC 0 43
TEXAKOMA OIL&GAS CRP 8106-0104
DKOT

XTO
LC KELLY 1
10 1528
10 44
LC Kelly #11
8404-0104
DKOT

XTO
LC KELLY 2E
2 455
0 52
8209-0104
DKOT

XTO
LC KELLY 2
6 1274
0 75
LC Kelly #12
8405-0104
DKOT

XTO
LC KELLY 3
29/8 4827/346
2/0 195/0
6407-0104/8407-0104
GLLP/DKOT

XTO
LC KELLY 7
0 9
0 283
0104-0104
FRDLC

NORTH
BLA
0
0
570
I

XTO
J SCHUMACHER 1E FEDERAL 8 3
4 680 LOC
0 122 TEXAKOMA OIL&GAS CRP
8311-0104
DKOT

MIDDLE BAY OIL
NMEX FEDN 4
15 2674
0 56
6011-0104
TEXAKOMA O&G DKOT
TEXAKOMA FED 7 1
0/0 11/55
0/0 31/160
0009-0105/0009-0105
FRD/FRDLC

TEXAKOMA O&G
FEDERAL 8 FC 1
0/0 1/126
0/0 6/169
0010-0105/8304-0105
FRD/FRDLC

XTO
J SCHUMACHER 1
9 2090
0 60
5912-0104
DKOT

NORTHWEST PROD
BLANCO D 11
0 116
0 0
5703-UNION
PCCF

TENNECO OIL

XTO ENERGY INC.

Lease: LC KELLY #2 & LC KELLY #12

Location: NW4 NE/4 SEC. 05, T30N, R12W

Federal Lease #: NMSF-081239

