

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

2006 AUG 15 PM 4 08

August 15, 2006

Hand Delivered

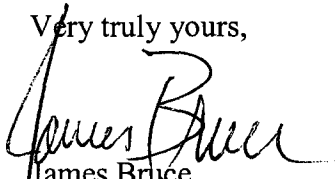
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 13776

Dear Florene:

Enclosed for filing, on behalf of XTO Energy Inc., are an original and one copy of an application for compulsory pooling, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the September 14, 2006 Examiner hearing. Thank you.

Very truly yours,


James Bruce
Attorney for XTO Energy Inc.

PERSONS BEING POOLED

First Baptist Church of Aztec
700 Navajo Street
Aztec, New Mexico 87410

Charles W. Burtis
821 Maddox
Aztec, New Mexico 87410

Vincent Ditmore
2330 Sues Way
Anchorage, Alaska 99516

Charles Hamlin and Linda Martin
722 East Broadway
Bloomfield, New Mexico 87413

Gail Dobey
823 Maddox
Aztec, New Mexico 87410

Patricia Ealum Morris
211 3rd Street
Clifton, Colorado 81520

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF XTO ENERGY INC.
FOR COMPULSORY POOLING, SAN
JUAN COUNTY, NEW MEXICO.**

2006 AUG 15 PM 4 09

Case No. 13776

APPLICATION

XTO Energy Inc. applies for an order pooling all mineral interests in the Blanco-Mesaverde Gas Pool underlying the N½ of Section 10, Township 30 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, and in support thereof, states:

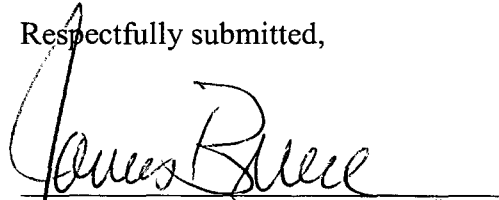
1. Applicant is an interest owner in the N½ of Section 10, and has the right to drill a well thereon.
2. Applicant proposes to drill its Hampton Well No. 2 at an orthodox gas well location in the NE¼NE¼ of Section 10, and seeks to dedicate the N½ of Section 10 to the well to form a standard 320 acre gas spacing and proration unit in the Blanco-Mesaverde Gas Pool.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N½ of Section 10 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the N½ of Section 10, pursuant to NMSA 1978 §70-2-17.
5. The pooling of all mineral interests underlying the N½ of Section 10 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**APPLICANT REQUESTS THAT, IN THE ABSENCE OF OBJECTION, THIS
MATTER BE TAKEN UNDER ADVISEMENT.**

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the N½ of Section 10 as to the Blanco-Mesaverde Gas Pool;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James Bruce", is written over a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for XTO Energy Inc.

PROPOSED ADVERTISEMENT

Case No. 13776 : **Application of XTO Energy Inc. for compulsory pooling, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Blanco-Mesaverde Gas Pool underlying the N/2 of Section 10, Township 30 North, Range 11 West, NMPM, to form a 320-acre gas spacing unit within that vertical extent. The unit is to be dedicated to the Hampton Well No. 2, to be drilled at an orthodox gas well location in the NE/4NE/4 of Section 10. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 1 mile east of Aztec, New Mexico. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

2006 AUG 15 PM 4 09