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Attorney at Law

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April 7, 2008

HAND DELIVERED

Mr. Mark E. Fesmire, Director
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Masden Selby Well No. 2R (API#30-045-pending)
Unit G,
Townsend 29 North, Range 11 West
Section 28: N/2 (Fruitland Coal formation)
NE/4 (Pictured Cliffs formation)
Application of XTO Energy, Inc.
for compulsory pooling,
San Juan County, New Mexico

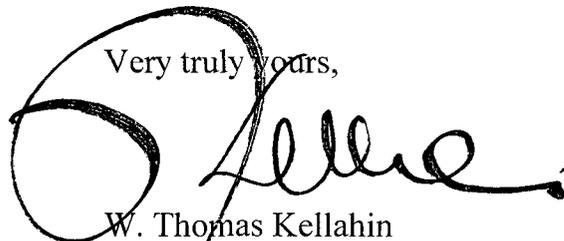
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Case 14118

Dear Mr. Fesmire:

On behalf of XTO Energy, Inc., find enclosed our referenced application which we request be set for hearing on the Examiner's docket now scheduled for May 15, 2008. Also enclosed is our proposed advertisement of this case for the NMOCD docket.

Very truly yours,



W. Thomas Kellahin

cc: XTO Energy, Inc.
Attn: Aaron Austin

CASE 17118: Application of XTO Energy, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests to the Pictured Cliffs formation and the Basin Fruitland Coal-Gas Pool underlying both the NE/4 and the N/2 of Section 28, T29N, R11W, NMPM, San Juan County, New Mexico, forming a standard 320-acre gas spacing and proration unit for any production from the Basin Fruitland Coal Gas Pool and forming a standard 160-acre gas spacing and proration unit for any production from the Pictured Cliffs formation, including but not limited to the Fulcher Kutz Pictured Cliffs Gas Pool. These units are to be dedicated its Masden Selby Well No. 2R (**API# 30-045-pending**) to be drilled at a standard location in Unit G of this section for downhole commingled production from the Basin Fruitland Coal Gas Pool and the Fulcher Kutz Pictured Cliffs Gas Pool. Also to be considered will be the costs of drilling and completion this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 1 mile East-Southeast from Bloomfield, New Mexico.

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF XTO ENERGY, INC.
FOR COMPULSORY POOLING,
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 14118

APPLICATION

XTO Energy, Inc. ("XTO") by its attorneys, Kellahin & Kellahin, and in accordance with Section 70-2-17.C NMSA (1978) seeks an order pooling all mineral interests to the Pictured Cliffs formation and the Basin Fruitland Coal-Gas Pool underlying both the NE/4 and the N/2 of Section 28, T29N, R11W, NMPM, San Juan County, New Mexico, forming a standard 320-acre gas spacing and proration unit for any production from the Basin Fruitland Coal Gas Pool and forming a standard 160-acre gas spacing and proration unit for any production from the Pictured Cliffs formation, including but not limited to the Fulcher Kutz Pictured Cliffs Gas Pool. These units are to be dedicated its Masden Selby Well No. 2R (**API# 30-045-pending**) to be drilled at a standard location in Unit G of this section for downhole commingled production from the Basin Fruitland Coal Gas Pool and the Fulcher Kutz Pictured Cliffs Gas Pool. Also to be considered will be the costs of drilling and completion this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of XTO Energy, Inc. as the operator of the well and a 200% charge for risk involved in this well.

In support of its application, XTO Energy, Inc. ("XTO") states:

1. XTO has a working interest ownership in the oil and gas minerals from the surface to the base of the Pictured Cliffs formation underlying the N/2 of Section 28, T29N, R11N, NMPM, San Juan County, New Mexico.
2. XTO plans to drill its Masden Selby Well 2R in Unit G of Section 28, T29N R11W and dedicate the NE/4 of Sec 28 to any Pictured Cliffs production and the N/2 of Sec 28 to any Fruitland coal gas production. See Division form C-102 attached as Exhibit "A"

3. These gas spacing units are located within the boundaries of the Basin Fruitland Coal Gas Pool and the Fulcher Kutz Pictured Cliffs Gas Pool.

4. By letter dated March 10, 2008, XTO has proposed to the other working interest or mineral owners that this well be drilled and downhole completed in the Pictured Cliffs and Fruitland coalbed formations to be dedicated to a standard 320-acre gas spacing and proration unit consisting of the N/2 a standard 160-acre gas spacing and proration unit consisting of the NE/4 both in Section 28.

5. Despite its reasonable efforts, application has been unable to obtain a written voluntary agreement from certain uncommitted working interest and/or mineral interest owners as shown on **Exhibit "B"**.

6. Pursuant to Section 70-2-17.C NMSA (1978) and in order to obtain its just and equitable share of potential production underlying this spacing unit, XTO needs an order of the Division pooling the interest identified above in order to protect correlative rights and prevent waste.

7. Applicant, in the absence of timely objection, will present its evidence by affidavit as provided by Division Rule 1207.A(1) and request the 200% risk charge in accordance with Commission Order R-11992, effective August 15, 2003.

8. In accordance with the Division's notice requirements, a copy of this application has been sent to the parties whose interest is to be pooled as listed on Exhibit "B" notifying each of this case and of the applicant's request for a hearing of this matter before the Division on the next available Examiner's docket now scheduled for May 15, 2008.

WHEREFORE, XTO Energy, Inc, as applicant, requests that this application be set for hearing on May 15, 2008 before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described in the appropriate spacing unit for this well at a standard well location upon terms and conditions which include:

(1) XTO Energy, Inc. be named operator;

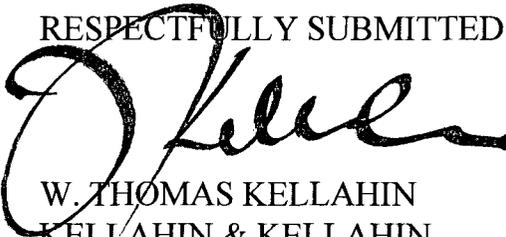
(2) Provisions for applicant and all working interest owners to participate in the costs of drilling, completing, equipping and operating the well;

(3) In the event a mineral interest or working interest owner fails to elect to participate, then provision be made to recover out of production, the costs of the drilling, completing, equipping and operating the well, including a risk factor penalty of 200%;

(4) Provision for overhead rates per month drilling and per month operating and a provision providing for an adjustment method of the overhead rates as provided by COPAS;

(5) For such other and further relief as may be proper.

RESPECTFULLY SUBMITTED:



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DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South 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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ APT Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name MASDEN SELBY			⁶ Well Number 2R
⁷ OGRD No.		⁸ Operator Name XTO ENERGY INC			⁹ Elevation 5409'

¹⁰ Surface Location

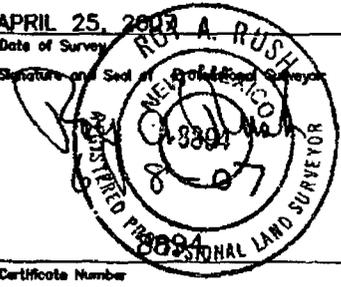
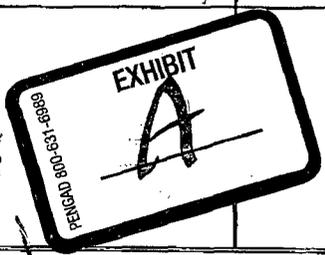
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	28	29-N	11-W		1530	NORTH	1835	EAST	SAN JUAN

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		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

<p>QTR. CORNER FD 3 1/4" AC. LS 11598 1993</p>	<p>S 89-41-43 W 2623.83' (M)</p>	<p>SEC. CORNER FD 3 1/4" AC. 1999 BLM</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p>
<p>28</p>	<p>QTR. CORNER FD 3 1/4" AC. 1999 BLM</p>	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>APRIL 25, 2007 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>APRIL 25, 2007 Certificate Number</p>	



<u>Last</u>	<u>First</u>	<u>Company</u>	<u>Street Address</u>	<u>City, State</u>	<u>Zip</u>	<u>Delivered</u> <u>(Y/N)</u>
Kenaston	Douglas L		P O Box 3322	Pinedale, CA	93650	N
Kenaston	Douglas		919 Napoli Dr.	Pacific Palisades, CA	90272-4037	
Kenaston	Douglas		30 Lagunita Dr.	Laguan Beach, CA	92651-4239	
Kenaston	Douglas L		18319 Napa St.	Northridge, CA	91325-3617	N
Kenaston	Douglas L		6045 N. Seiland Ave	Fresno, CA	93711-1551	
Kenaston	Douglas L		8951 N. Kimball Ave	Portland, OR	97203-2613	N
Kenaston	Douglas A		10624 Debra Ave	Granada Hills, CA	91344-6710	
Kenaston	Douglas A		75570 Fairway Dr.	Indian Wells, CA	92210-8425	
Kenaston	Douglas		1075 E. Bullard Ave			
Kenaston	Douglas		Ste 104	Fresno, CA	93710-5532	
Kenaston	Douglas		15012 NE 47th St.	Vancouver, WA	98682-6380	
Kenaston	Douglas L		1625 E. Hammond Av	Fresno, CA	93728-2021	
Kenaston	Douglas L		2612 James St.	Bellingham, WA	98225	
Kenaston	Douglas A		2 La Cerra Cir	Rancho Mirage, CA	92270	N
Kenaston	Douglas A		2311 Via Puerta	Laguan Beach, CA	92637	N
Helton	Robert	Burlington Resources Oil & Gas Company LP	P O Box 4289	Farmington, NM	98059-4967	Y
Morgan	Donda Hunt	A wholly owned subsidiary of ConocoPhillips Company CEDB Holdings, LLC	125 Lincoln Avenue # Santa Fe, NM		87501	Y
		Nelda W. Wilkinson Trust UTA dated 10-30-75	640 S. Carolina SE A\ Washington D.C.		20003	Y
		John Joe Wilkinson Estate	1401 Fairway Terrace Clovis, NM		88101	Y
			524 Highland Park Dr Hurst, TX		76054	Y

** Undelivered due to bad address.

