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District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W Grand Avenue, 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  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-104  
Revised Feb. 26, 2007

JAN 10 2011

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Submit to Appropriate District Office  
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator name and Address XTO Energy Inc. 200 N. Loraine, Ste. 800 Midland, TX 79701		2 OGRID Number 005380
4 API Number 30-0 15-37700		3 Reason for Filing Code/Effective Date New Well Comp1 / 9/21/10
5 Pool Name Pierce Crossing; Bone Spring, East	6 Pool Code 96473	7 Property Code 38087
8 Property Name Muy Wayno 7 State	9 Well Number 1H	

II. Surface Location

UL or lot no. C	Section 7	Township 25S	Range 30E	Lot. Idn	Feet from the 330	North/South Line North	Feet from the 2240	East/West line West	County Eddy
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Bottom Hole Location

UL or lot no. N	Section 7	Township 25S	Range 30E	Lot. Idn	Feet from the 345	North/South Line South	Feet from the 2243	East/West line West	County Eddy
12 Lse Code S	13 Producing Method Code P	14 Gas Connection Date	15 C-129 Permit Number	16 C-129 Effective Date	17 C-129 Expiration Date				

III. Oil and Gas Transporters

18 Transporter OGRID	19 Transporter Name and Address	20 O/G/W
035246	Shell US Trading Co. P.O. Box 4604 Houston, TX 77210	0
036785	DCP Midstream, L.P. 5718 Westheimer, Suite 2000 Houston, TX 77057	G

IV. Well Completion Data

21 Spud Date 05-11-10	22 Ready Date 9-24-10	23 TD 12188	24 PBTB 8445	25 Perforations 11,990-12188	26 DHC, MC
27 Hole Size	28 Casing & Tubing Size	29 Depth Set	30 Sacks Cement		

V. Well Test Data

31 Date New Oil 9/21/10	32 Gas Delivery Date 9/21/10	33 Test Date 10/7/10	34 Test Length 24 hrs.	35 Tbg. Pressure	36 Csg. Pressure
37 Choke Size	38 Oil 390	39 Water 583	40 Gas 1909	41 Test Method Pump	

42 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Patty Urias</i>		OIL CONSERVATION DIVISION Approved by: <i>[Signature]</i>	
Printed name: Patty Urias		Title: <i>Dist. E. Supervisor</i>	
Title: Regulatory Analyst		Approval Date: MAR 07 2011	
E-mail Address patty.urias@xtoenergy.com			
Date: 1/5/11	Phone: 432-620-4318		

dm

KZ

COH

Operator: XTO Energy  
Well Name: Muy Wayno State #14  
OGRID: 5380 API: 30-0 15-37700 Lease Type FSP

Date C104 rec'd 1/10/2011 C-104 filed for N X RT    PB    RE    DHC    Other     
Date of file review    /    /   

Inactive Well List 3166 out of 6  
Additional Bonding: none

APD Approval Date 3/24/2010  
Pit Permit Approval 3/24/2010 Permit # 210146 Pit Closure: 3/11/11

Spud notice ☒ 5/11/2010  
Surface casing 13.375 amended required     
Intermediate 9.625 amended required     
Production csg 7 amended required     
TD Reached: 9/31/2010  
Rig Released: 12/13/2010

Pool Kc

Deviation Survey:    @    TD @ 12188

☒ Directional Survey    /    /    MD    TVD     
"As Drilled" or Amended C-102 ☒   


Completion Sundry: 1/10/11  
Completion Report: 1/10/11  
Logs   

COMPLIANCE: NSL    NSP     
DHC    ART   

OTHER REQUIREMENTS:     
    
  

Inactive Well List    /    /    Date to RD for approval    /    /     
Additional Bonding   

Reviewed by:    DENIED    /    /



# New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

Brett F. Woods, Ph. D.  
Acting Cabinet Secretary

Daniel J. Sanchez  
Acting Division Director  
Oil Conservation Division



February 18, 2011

XTO Energy, Inc.  
Attn: Lorri Bingham  
382 CR 3100  
Aztec, NM 87410

Email: [Lorri-bingham@xtoenergy.com](mailto:Lorri-bingham@xtoenergy.com)

**Rebuttal of presumption of inactivity as to five wells**  
**Effective through March 16, 2011**

Re: XTO Energy, Inc. (OGRID #5380)  
Wells: Eunice Monument South Unit #250 (30-025-04526)  
Eunice Monument South Unit #267 (30-025-04440)  
Eunice Monument South Unit #440 (30-025-04735)  
Eunice Monument South Unit #596 (30-025-34846)  
WF Federal 20 #001 (30-045-29649)

Dear Operator:

Subsection (F)(2) of Oil Conservation Division (OCD) Rule 19.15.5.9 NMAC provides that the listing of a well on the OCD's inactive well list as a well inactive for more than one year plus 90 days creates a "rebuttable presumption" that the well is out of compliance with OCD Rule 19.15.25.8 NMAC (the inactive well rule).

An operator may rebut that presumption by providing evidence that the well is in compliance with OCD Rule 19.15.25.8 NMAC.

The wells identified above currently appear on the OCD's inactive well list as wells operated by XTO Energy, Inc. (XTO) that have been inactive for more than one year plus 90 days. XTO has provided me with documentation indicating that the wells were returned to production in January 2011.

XTO has satisfactorily rebutted the presumption created by OCD Rule 19.15.5.9.F.2 that the wells identified above are in violation of OCD Rule 19.15.25.8 NMAC because the wells have been "active" as defined by OCD rules within the past year plus 90 days.



Although the above-named wells appear on XTO's inactive well list, the OCD should not consider the wells as out of compliance with OCD Rule 19.15.5.9.A.4.d NMAC or include them in calculating XTO's compliance with OCD Rule 19.15.5.9 NMAC.

The presumption that the wells are not inactive will remain until the date when XTO is required to file C-115 production reports for the wells. Division Rule 19.15.7.24 requires operators to file C-115 reports on or before the 15th day of the second month following the month of injection, or if such day falls on a weekend or holiday, the first workday following the 15th. Since XTO has indicated that the wells were returned to production in January 2011, **the C-115 reports for the wells must be filed by Tuesday March 15, 2011.** If XTO fails to file the C-115 reports for the wells by March 15, 2011, the presumption that the wells are inactive will return.

**On March 16, 2011, if any of the wells identified above appear on the inactive well list the presumption that the well is inactive will return.**

As stated above, the OCD should not consider the five wells identified above as out of compliance with OCD Rule 19.15.5.9.A.4.d NMAC or include them in calculating XTO's compliance with OCD Rule 19.15.5.9 NMAC. However, until XTO files C-115 reports for the wells, the wells will remain on the inactive well list.

**XTO should attach a copy of this letter to any applications for a drilling permit, requests for allowable and authorization to transport, change of operator, or injection permits that XTO might file with the OCD so that the OCD knows that it should not count any of the five wells identified above towards XTO's compliance with OCD Rule 19.15.5.9 NMAC.**

Sincerely,



Daniel Sanchez  
Compliance and Enforcement Manager

Ec: Larry Hill, District I  
Randy Dade, District II  
Charlie Perrin, District III  
Amy Vermersch, District III  
Theresa Duran-Saenz  
Sonny Swazo, OCD General Counsel