

BEFORE THE OIL & GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF )  
XTO ENERGY INC. FOR AN ORDER )  
APPROVING UP TO FOUR WELLS IN )  
ESTABLISHED 320-ACRE DRILLING AND )  
SPACING UNITS LOCATED IN SECTIONS 35 )  
AND 36, TOWNSHIP 33 NORTH, RANGE 9 )  
WEST, N.M.P.M., IN THE FRUITLAND COAL )  
SEAM FORMATION, IGNACIO-BLANCO )  
FIELD, LA PLATA COUNTY, COLORADO )

Cause No. \_\_\_\_\_

Docket No. \_\_\_\_\_

APPLICATION

COMES NOW XTO Energy Inc. (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Colorado Oil and Gas Conservation Commission ("Commission"), for an order approving up to four wells in each of certain established 320-acre drilling and spacing units to produce oil, gas, an associated hydrocarbons from the Fruitland Coal Seam Formation, Ignacio-Blanco Field, La Plata County, Colorado for the following described lands:

Township 33 North, Range 9 West, 6th N.M.P.M.

Section 35: E $\frac{1}{2}$

Section 35: W $\frac{1}{2}$

Section 36: E $\frac{1}{2}$

La Plata County, Colorado (together "Application Lands").

In support thereof, the Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado; and is a registered operator in good standing with the Commission.

2. Applicant owns certain interests in the Application Lands.

3. In certain of the Application Lands, the Southern Ute Indian Tribe owns surface and/or mineral interests in or underlying such lands. To the extent that this Application concerns lands within the jurisdiction of the Southern Ute Indian Tribe, Applicant submits this Application to the Commission in accordance with the terms of the Memorandum of Understanding ("MOU") dated August 22, 1991 between the Bureau of Land Management ("BLM") and this Commission and separate MOU dated August 22, 1991 between the Bureau of Indian Affairs, the BLM and the Southern Ute Tribe.

4. On June 15, 1988, the Commission entered Order No. 112-60 which, among other things, established 320-acre drilling and spacing units for production of gas from the Fruitland Coal Seam formation and established that said units shall consist of the N $\frac{1}{2}$  and S $\frac{1}{2}$  or the E $\frac{1}{2}$  and W $\frac{1}{2}$  of the section with the permitted well located, when north of the north of Township 32 North, in the NW $\frac{1}{4}$  and SE $\frac{1}{4}$  of the section, and south of the north line of Township 32 North, in the NE $\frac{1}{4}$  and SW $\frac{1}{4}$  of the section, and no closer than 990 feet to any outer boundary, nor closer than 130 feet to any interior quarter section line. The Application Lands are subject to Order No. 112-60.

5. On October 21, 1997, the Commission entered Order No. 112-136 which, among other things, allowed an additional well in certain 320-acre drilling and spacing units for production from the Fruitland Coal Seam formation, with permitted wells in Township 33 North to be located in the center of the NW¼ and SE¼ of the section, and no closer than 990 feet to any out boundary of the unit, nor closer than 130 feet to any interior quarter section line, without exception by the Director. The Application Lands are subject to Order No. 112-136.

6. Applicant hereby requests that the Commission 1) approve up to a total of four wells in each 320-acre unit comprising the Application Lands; 2) establish that the productive interval of each wellbore shall be located no closer than 660 feet to any outer boundary of the unit; and 3) eliminate interior quarter section line setbacks to enable the drilling of horizontal wells.

7. Applicant submits that existing spacing orders do not enable efficient and economical drainage of each of the 320-acre drilling and spacing units comprising the Application Lands, and that the relief requested herein is necessary to prevent waste, protect correlative rights and to recover gas and associated hydrocarbons from the Fruitland Coal Seam formation in accordance with applicable law.

8. Applicant further submits that the requested additional wells can be developed in a manner consistent with the protection of public health, safety, and welfare.

9. The undersigned certifies that copies of this Application shall be served on each interested party as set forth on Exhibit A within the next seven days as required by Rule 507.b(4).

WHEREFORE, Applicant respectfully requests that this matter be set for hearing at the next regular hearing date, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Approving up to a total of four wells in each 320-acre unit comprising the Application Lands;

B. Establishing that the productive interval of each wellbore shall be located no closer than 660 feet to any outer boundary of the unit;

C. Eliminating any interior quarter section line setbacks; and

D. Granting such other relief as may be appropriate.

DATED this 17<sup>TH</sup> day of October, 2013.

Respectfully submitted,

**XTO Energy Inc.**

By: 

Michael J. Wozniak  
Elizabeth Y. Gallaway  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16th Street, Suite 1100  
Denver, Colorado 80202


Address of Applicant

XTO Energy Inc.  
ATTN: Regional Land Manager – Rockies  
810 Houston Street  
Fort Worth, TX 76102

VERIFICATION

STATE OF TEXAS                    )  
  ) ss.  
COUNTY OF TARRANT         )

Edwin S. Ryan, Jr. of lawful age, being first duly sworn upon oath, deposes and says that he is Sr. Vice President of Land Administration for XTO Energy Inc. and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

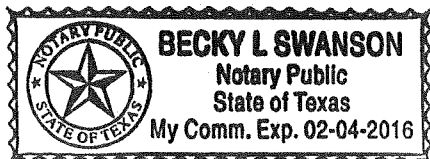
  
\_\_\_\_\_  
Edwin S. Ryan, Jr.  
Sr. Vice President – Land Administration  
DSD GSK

Subscribed and sworn to before this 17<sup>th</sup> day of October, 2013.

Witness my hand and official seal.

[SEAL]

My commission expires: 02-04-2016



  
\_\_\_\_\_  
Notary Public

**EXHIBIT A**  
**Interested Parties**

AURORA ROYALTIES LLC  
P.O. BOX 660082  
DALLAS, TX 75266-0082

BP AMERICAN PRODUCTION  
COMPANY  
ATTN: LAND DEPARTMENT  
501 WESTLAKE BOULEVARD  
HOUSTON, TX 77079

CHARLES W JANKE  
2147 DEL MONTE  
HOUSTON, TX 77019

CHEVRON NORTH AMERICAN  
EXP. & PROD.  
ATTN: LAND DEPARTMENT  
PO BOX 4538  
HOUSTON, TX 77210-4538

DAVID A FRAZE  
2421 PIERCE ST  
SAN FRANCISCO, CA 94115

DONALD E WEBER REVOCABLE  
TRUST  
DONALD E. WEBER, TRUSTEE  
812 EVANS AVE.  
SAN ANTONIO, TX 78209

FOUR STAR OIL & GAS CO  
ATTN: LAND DEPARTMENT  
PO BOX 608  
SATSUMA, AL 36572

FREDERICK K RUDOLPH  
1111 ST CROIX CT  
KIRKWOOD, MO 63122-2415

GEORGE F MEYER JR  
#3 LINDWORTH LN  
ST. LOUIS, MO 63124

GRAMEX PROPERTY CORPORATION  
2550 HERMELIN DR  
BRENTWOOD, MO 63144

HAL & JEAN RIDDLE TRUST  
POB 9938  
AMARILLO TX 79105-5938

L&L INVESTMENTS LTD  
P.O. BOX 1245  
PASCAGOULA, MS 39568

LA PLATA PRODUCTION COMPANY  
INC  
202 DEL MAR BLVD.  
CORPUS CHRISTI, TX 78404

LAFA LLC  
A COLORADO LTD LIABILITY CO.  
PO BOX 1750  
DURANGO, CO 81302

NORTHWESTERN MUTUAL LIFE  
M & I BANK  
PO BOX 88749  
MILWAUKEE, WI 53288-0749

RED WILLOW PRODUCTION  
COMPANY  
P.O. BOX 369  
IGNACIO, CO 81137

ROBERT L. HAYNIE REV TRUST  
DTD 12-20-91, ROBERT L HAYNIE  
C/O HANEGAN & ASSOCIATES, P.C.  
1625 BROADWAY, STE 800  
DENVER, CO 80202

SAMSON RESOURCES  
ATTN: LAND DEPARTMENT  
TWO WEST SECOND STREET  
TULSA, OK 74103-3103

SAMSON RESOURCES  
ATTN: LAND DEPARTMENT  
370 17TH ST. SUITE 3000  
DENVER, CO 80202

SG INTERESTS V LTD  
100 WAUGH, STE 400  
HOUSTON, TX 77007

SOUTHERN UTE INDIAN TRIBE  
PO BOX 737  
356 OURAY DRIVE,  
IGNACIO, CO 81137

STEVENS PARTNERS LTD.  
PARTNERSHIP  
1069 ENCANTADO DR  
SANTA FE, NM 87501

SUE B LANE LIMITED PARTNERSHIP  
11406 CHAUCER OAKS CT  
HOUSTON, TX 77082-6841

SUSAN S DENKO  
PO BOX 9703  
RANCHO SANTA FE, CA 92067

THOMAS W HOLLEY  
2550 HERMELIN DR  
BRENTWOOD, MO 63144

VANGUARD PERMIAN LLC  
ATTN: LAND DEPARTMENT  
5847 SAN FELIPE ST.  
SUITE 3000  
HOUSTON, TX 77057-3399

WENDY WEIR FRAZE  
PO BOX 1284  
RANCHO SANTA FE, CA 92067

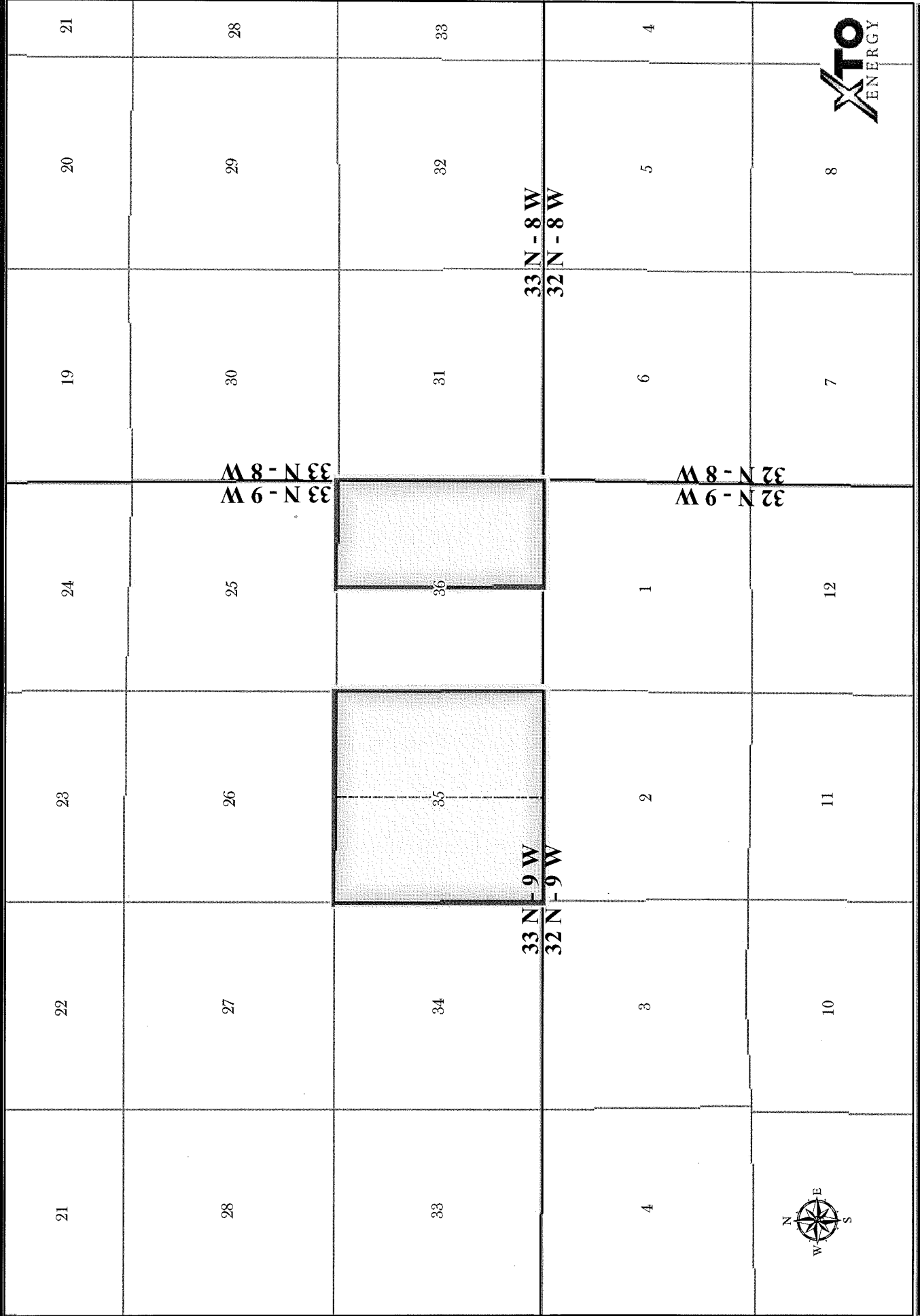
KENT KUSTER  
OIL & GAS CONSULTANT  
COORDINATOR  
COLORADO DEPARTMENT OF  
PUBLIC HEALTH & ENVIRONMENT  
4300 CHERRY CREEK DRIVE SOUTH  
DENVER, CO 80246-1530

COURTNEY D. ROSEBERRY  
LA PLATA PLANNING DEPT.  
1060 EAST 2ND AVE  
DURANGO, CO 81301

JON HOLST  
ENERGY LIAISON – COLORADO  
PARKS AND WILDLIFE  
415 TURNER DRIVE  
DURANGO, CO 81303

# ALAMO PROPOSED INFILL AREA

T33N - R9W - ALL OF SECTION 35 & E/2 OF 36  
LA PLATA COUNTY, COLORADO



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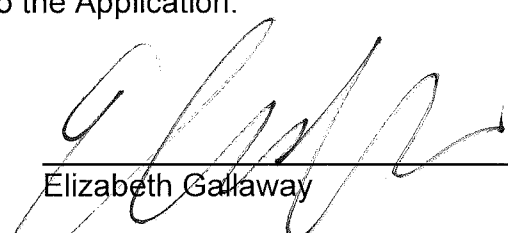
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**AFFIDAVIT OF MAILING**

STATE OF COLORADO )  
)ss.  
CITY AND COUNTY OF DENVER )

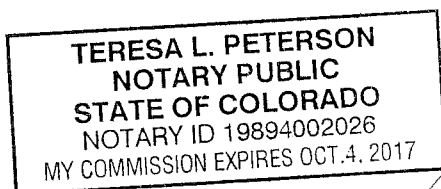
Elizabeth Gallaway of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for XTO Energy Inc., and on or before October 24, 2013, caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

  
Elizabeth Gallaway

Subscribed and sworn to before me October 17 2013.

Witness my hand and official seal.



  
Notary Public