FORM APPROVED Form 3160-5 OMB No 1004-0137 (August 2007) =DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Expires July 31, 2010 5 Lease Serial No NMNM048570 SUNDRY NOTICES AND REPORTS ON WELLS AND REPORTS OF WELLS AND REPORTS OF WELLS 6 If Indian, Allottee or Tribe Name abandoned well cUse Form 3160-3 (APD) for such proposals. Rureau of Land Management in TRIPLICATE - Other Instructions on page 2 7 If Unit of CA/Agreement, Name and/or No NMNM-73799 1 Type of Well 8. Well Name and No SKELLY GAS COM #001 Oil Well ✓ Gas Well Other 2 Name of Operator XTO ENERGY INC 9 API Well No 30-045-07735 3a Address 3b. Phone No (include area code) 10 Field and Pool or Exploratory Area 382 ROAD 3100 **BASIN DAKOTA** 505-333-3100 AZTEC, NM 87410 4 Location of Well (Footage, Sec , T ,R ,M , or Survey Description) NENE, SEC 32 (A), T29N, R10W, N M P M 815' FNL & 890' FEL 11 Country or Parish, State SAN JUAN, NM 12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Other METER New Construction Casing Repair Recomplete Subsequent Report CALIBRATION Change Plans Plug and Abandon Temporarily Abandon VARIANCE Final Abandonment Notice Convert to Injection Plug Back Water Disposal 13 Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection)

XTO Energy Inc. would like to request an exception to the Onshore Order #5 that requires quarterly meter calibration. Due to low volume (less than 100

mcfd), XTO Energy Inc proposes to calibrate the meter for this well semi-annually.

Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would

14 Thereby certify that the foregoing is true and correct. Name (Printed/Typed)

Malia Villers

Title Permitting Tech.

Date 8 2 - 1 2

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Date SEP 2 1 2012

Title 18 U S C Section 1001 and Title 43 U S C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

entitle the applicant to conduct operations thereon

Well and Notice Remarks

Doc. Type VARI Case Number NMNM73799 Type 318310 Doc Number Name 12KJS1627S SKELLY GAS COM Operator XTO ENERGY INC API Well Name Number 300450773500S1 SKELLY GAS COM **FACILITY** SKELLY GAS COM **XTO ENERGY INC** Doc Number Date Author Subject -12KJS1627S 09/21/2012 **KEVIN SCHNEIDER** VARI **APPROVAL**

Category GENERAL Date 09/21/2012

Variance to Onshore Order #5, for semi-annual gas meter calibrations in accordance with NTL 92-5 Wells produce Less than 100 MCFD. Approval is indefinite and will remain in effect until production no longer meets the requirement of NTL 92-5 or is rescinded by the BLM by writtnen notice.

Category