Form 3160-5 (June 2015)

UNITED STATES

NMOCD

FORM APPROVED

OMB NO. 1004-0137
Expires: January 31, 201
Lease Serial No.
NMNM16353

	Hobbs		Expires: J	Expires: January 31, 2018					
HOBBS OCD	5. Lease Serial No. NMNM16353								
Do not use thi	6. If Indian, Allottee or Tribe Name								
RECEIVED	7. If Unit or CA/Agreement, Name and/or No.								
Type of Well	Well Name and No. OUTRIDER FEDERAL CTB SEE BELOW								
2. Name of Operator XTO ENERGY INC.		9. API Well No. 30-025-42932							
3a. Address	E-Mail: patty_urias@	•	(include area code) 10. Field and Pool or Exploratory Area						
500 W. ILLINOIS SUITE 100 MIDLAND, TX 79701	Ph: 432-620-4 Fx: 432-618-3	0-4318 WC-025 G06 S253206M							
4. Location of Well (Footage, Sec., T		11. County or Parish, State							
Sec 27 T24S R32E Mer NMP	LEA COUNTY,	COUNTY, NM							
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA									
TYPE OF SUBMISSION	TYPE OF SUBMISSION TYPE OF ACTION								
☐ Notice of Intent	☐ Acidize	□ Deepen		☐ Producti	ion (Start/Resume)	□ W	ater Shut-Off		
	☐ Alter Casing	☐ Hydrau	lic Fracturing	☐ Reclama	ation	□ W	ell Integrity		
Subsequent Report	□ Casing Repair	☐ New Co	onstruction	□ Recomp	Recomplete		Other		
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug an	d Abandon	□ Temporarily Abandon		ng	Venting and/or Flari		
	Plug Ba	ack	☐ Water D	Disposal					
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If 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. OUTRIDER FEDERAL CTB Associated Well(s): Outrider Federal 6H - API 30-025-42932 Rental Compressor intermittent failures - 144 cumulative flare hrs reachd 12/8/16 PLEASE SEE ATTACHED FOR ADDITIONAL INFORMATION									
14. I hereby certify that the foregoing is true and correct. Electronic Submission #371329 verified by the BLM Well Information System For XTO ENERGY INC., sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 04/11/2017 () Name (Printed/Typed) PATTY R URIAS Title REGULATORY ANALYST									
·									
Signature (Electronic Submission) Date 03/28/2017									
ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE									
Approved By Title Date									
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 entitle the applicant to conduct operations thereon. Office									

(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Title 18 U.S.C. Section 100 transferred Title 42 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 of representations as to any matter within its jurisdiction.

XTO Energy Inc.(XTO) requests approval to flare royalty-free for the reasons set forth in the marked paragraphs below: **Emergency Flaring:** Equipment Malfunction or Failure: Due to the equipment malfunction or failure more fully described in the "Additional Information" box below, XTO's production was unavoidably and automatically flared for a duration exceeding 24 hours per incident, 144 cumulative hours for the lease during the calendar month, or both. The method that XTO used to determine the duration of flaring and the flared volumes is set forth in the marked paragraph below. The flared production was measured by a meter installed on the flare line. The total duration and volume of flaring for each flare incident (if intermittent) and the total duration and volume for each calendar month, as measured by the meter, is provided in the "Additional Information" box below. There is no meter installed on the flare line. XTO estimated the start date based on a comparison of the metered sales volume to the daily average sales volumes. Specifically, XTO divided the theoretical flare volume (derived by the difference between the average sales volumes and the actual sales volume for a given duration) by the average daily sales volume and then multiplied that figure by 24 to determine an estimated number of hours. The sales meter is the first meter for the production (there is no separate production meter). XTO determined the flared volumes by comparing the sales volume during the period of flaring to the average sales volume. Specifically, XTO subtracted the actual sales volume from the average sales volume (both figures taken from the sales meter). Relief of High Line Pressure: To relieve the high line pressure described more fully in the "Additional Information" box below, XTO's production was unavoidably and automatically flared for a duration exceeding 24 hours per incident, 144 cumulative hours for the lease during the calendar month, or both. The flaring occurred due to high line pressure on a third-party gathering line. When the production in the line reached the pressure threshold for the line. XTO's production could not be delivered into the line. As a result, XTO's production automatically flared. The pressure threshold is determined by all of the production in the line. not just XTO's production; therefore, XTO had no control over the condition of the line that caused the flaring. Additionally, the flaring automatically occurred when XTO's production could not be delivered into the line, and XTO had no ability to reinitiate delivery into the line until the abnormally high line pressure was relieved. As soon as the abnormal line pressure was relieved and delivery into the line resumed, the flaring ended. The flared production was measured by a meter installed on the flare line. The total duration and volume of flaring for each flare incident (if intermittent) and the total duration and volume for each calendar month, as measured by the meter, is provided in the "Additional Information" box below. There is no meter installed on the flare line. XTO estimated the start date based on a comparison of the metered sales volume to the daily average sales volumes. Specifically, XTO divided the theoretical flare volume (derived by the difference between the average sales volumes and the actual sales volume for a given duration) by the average daily sales volume and then multiplied that figure by 24 to determine an estimated number of hours. The sales meter is the first meter for the production (there is no separate production meter).

XTO determined the flared volumes by comparing the sales volume during the period of flaring to the average sales volume. Specifically, XTO subtracted the actual sales volume

from the average sales volume (both figures taken from the sales meter).

Initial Well Test Flaring: Due to initial well testing more fully described in the "Additional Information" box below, XTO's production was flared for a duration exceeding 30 days or of a volumexceeding 50 MMcf before 30 days of flaring.							
The flared production was metered. The total duration of flaring and volume flared in relat this initial well test flaring event is provided in the "Additional Information" box below.	ion to						
Additional Information:							
XTO rental compressor issues - flaring not to exceed 650mcfd. 144 cumulative hours flared as of 12/8/16 TOTAL FLARED DURING APPROVED PERIOD:							
Dec 2016: 249 hrs and 6846 mcf Jan 2017: 31 hrs and 682 mcf Feb 2017: 159 hrs and 4318 mcf March 1-6 2017: 0							

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