

Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

XTO Energy Inc.

ATTN: Mr. Law Armstrong

810 Houston Street

Fort Worth, TX 76102-6298

December 18, 2017

Re:

Poker Lake Unit

Commercial Well Determinations Poker Lake Unit CVX JV BS #36H

Bone Spring Formation Eddy County, New Mexico

Dear Mr. Armstrong:

We are in receipt of your letter of October 12, 2017, together with the commercial determination data for the above referenced well.

The Bureau of Land Management, by their letter of November 27, 2017, advised this office that they agree with your determination that the referenced well is capable of producing unitized substances in paying quantities from the Bone Spring Formation.

Please be advised that the New Mexico State Land Office concurs with the Bureau of Land Management's determination:

| Well Name & Number | Location | Pool/Formation | Completion Date | NM State Land Office Determination |
|--------------------------------|------------|-----------------------|--------------------|---------------------------------------|
| Poker Lake Unit CVX JV BS #36H | 19-24S-31E | WC-015 G-06 S243119C; | 1/27/2016 | Commercial |
| A-PI # 30-015-42428 | | Bone Spring (97975) | | |

If you have any questions or if we may be of further assistance, please contact Units Manager Marilyn Gruebel at 505.827.5791.

Respectfully.

AUBREY DUNN

COMMISSIONER OF PUBLIC LANDS

AD/mg

OCD Attn. Mr. Daniel Sanchez

RMD - Attn: Mr. Roddy Martinez

BLM Carlsbad – Attn: Mr. Chris Walls OGMD Well Designation Coordinator

OGMD and Units Reader Files