

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. FEE	
2. Name of Operator XTO ENERGY INC		6. If Indian, Allottee or Tribe Name	
3a. Address 2700 FARMINGTON AVE., BLDG K, SUITE 1 FARMINGTON, NM 87401		7. If Unit or CA/Agreement, Name and/or No. NMNM73909	
3b. Phone No. (include area code) Ph: 505.324.1090 Ext. 4020 Fax: 505.564.6700		8. Well Name and No. SNYDER GAS COM B 1	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T29N R9W SENW 2100FNL 780FWL		9. API Well No. 30-045-31889-00-S1	
		10. Field and Pool, or Exploratory BASIN DAKOTA BLANCO MESAVERDE	
		11. County or Parish, and State SAN JUAN COUNTY, NM	

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Subsurface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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. If the proposal is to deepen directionally or recomplate 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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. proposes to downhole commingle this well per the attached documents.
Communitization Agreement # is SW269.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #29009 verified by the BLM Well Information System For XTO ENERGY INC, sent to the Farmington Committed to AFMSS for processing by JIM LOVATO on 04/01/2004 (04JXL0227SE)	
Name (Printed/Typed) HOLLY PERKINS	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 03/29/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>Jim Lovato</i>	Title <i>Reg. Eng</i>	Date <i>4/1/04</i>
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

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

DEC 15 2003

Revised May 08, 2003

Submit 3 Copies To Appropriate District

Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

1301 W. Grand Ave., 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 and Natural ResourcesOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-045-31889

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

NMSF077082

7. Lease Name or Unit Agreement Name:

SNYDER GAS COM B

8. Well Number

1M

9. OGRID Number

167067

10. Pool name or Wildcat

BLANCO MESAVARDE/BASIN DAKOTA

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

XTO Energy Inc.

3. Address of Operator

2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

4. Well Location

Unit Letter F 2100 feet from the NORTH line and 780 feet from the WEST lineSection 19 Township 29N Range 09W NMPM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

5538' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐OTHER: DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOB ☐OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy Inc. requests an exception to Rule 303A to downhole commingle production from the Basin Dakota Pool (71599) and the Blanco Mesaverde Pool (72319). Both pools are included in Division Order R-11363 establishing pre-approved pool combinations for downhole commingling in the San Juan Basin. The APD for this well has been approved but the well has not been spudded. XTO requests approval to DHC both zones on initial completion after drilling is completed. Ownership is common in both of the spacing units. A sundry notice has also been filed w/the BIM. See attachments 1-3 for supporting data.

Proposed Gas Allocation: Dakota - 55.7% and Mesaverde - 44.3%

Proposed Oil Allocation: Dakota - 57.1% and Mesaverde - 42.9%

Proposed Water Allocation: Dakota - 57.1% and Mesaverde - 42.9%

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Darrin Steed TITLE REGULATORY SUPERVISOR DATE 12/5/03Type or print name DARRIN STEEDTelephone No. 505-324-1090

(This space for State use)

Original Signed by STEVEN N. HAYDEN

DEPUTY OIL & GAS INSPECTOR, DIST. 2

APPROVED BY

Conditions of approval, if any:

TITLE _____ DATE DEC - 8 2003

Attachment 1
Snyder Gas Com B #1M
Sec 19, T29N, R09W
C-103 NOI Sundry to DHC
12/5/03

1. Using the NMOCD fracture parting pressure gradient of 0.65 psig per foot of depth, the bottomhole pressure to frac the Mesaverde (est. top perf 3,700' TVD) is 2,405 psig and to frac the Dakota (est. top perf 6,300') is 4,095 psig. Because of offset drainage neither zone's current bottom hole pressures (est. 1,000 psig -1,800 psig) are expected to exceed the frac parting pressure of either zone.
2. Blanco Mesaverde perforations: 3,800' – 4,500' (est. perf interval MD)
Basin Dakota perforations: 6,500' – 6,900' (est. perf interval MD)
3. The proposed gas and oil production allocation percentages are based on average estimated ultimate recovery per completion of the 64 Mesaverde and 52 Dakota completions in a 16 section area around the proposed well location. Water production will be allocated identical to the oil production allocation. See Attachments 2 and 3 for the calculations and supporting data of the proposed production allocation percentages.

Proposed Allocation Percentages:

	GAS	OIL	WATER
Blanco Mesaverde	44.3%	42.9%	42.9%
Basin Dakota	55.7%	57.1%	57.1%

4. Downhole commingling will not reduce the value of the total remaining production. Increased ultimate recovery is expected due to a lower economic production limit for each pool resulting lower operating cost per zone due to the combined production. Also, the reserves will be recovered in less time by downhole commingling.
5. Working and royalty interest ownership in the Dakota and Mesaverde spacing units in this well are identical. XTO Energy Inc. was not required to notify the owners of our plans to downhole commingle by certified mail.
6. The Dakota and Mesaverde spacing units do not contain State lands or minerals so a copy of the Form C-103 was not sent to them. The well's surface and bottomhole locations are located on fee land but the Dakota and Mesaverde proration units contain Federal minerals so a copy of the Form C-103 with attachments was sent to the BLM using Sundry Notice Form 3160-5.

Attachment 2
Snyder Gas Com B #1M
Sec 19, T29N, R09W
C-103 NOI Sundry to DHC
12/5/03

SUMMARY OF PRODUCTION ALLOCATION CALCULATIONS

Zone	16 Section Offset Wells Ave. Est. Ult. Rec. (MMCF)	GAS ALLOC. (%)	16 Section Offset Wells Ave. Est. Ult. Rec. (BO)	OIL ALLOC. (%)
Mesaverde	1,064	44.3%	6,328	42.9%
Dakota	1,339	55.7%	8,423	57.1%

Ave. DK/MV Gas EUR (est. ultimate recovery) = See Attachment 3 Table of EUR of individual DK/MV completions

Ave. MV Oil EUR = 405 MBO EUR for MV completions (16 Section area) + 64 MV completions
= 6,328 BO/completion (See Attachment 4 MV summary prod. decline curve)

Ave. DK Oil EUR = 438 MBO EUR for DK completions (16 Section area) + 52 DK completions
= 8,423 BO/completion (See Attachment 5 DK summary prod. decline curve)

MV Gas Allocation % = $1,064 \text{ MMCF} \div (1,064 \text{ MMCF} + 1,339 \text{ MMCF}) \times 100\% = 44.3\%$

DK Gas Allocation % = $1,339 \text{ MMCF} \div (1,064 \text{ MMCF} + 1,339 \text{ MMCF}) \times 100\% = 55.7\%$

MV Oil Allocation % = $6,328 \text{ BO} \div (6,328 \text{ BO} + 8,423 \text{ BO}) \times 100\% = 42.9\%$

DK Oil Allocation % = $8,423 \text{ BO} \div (6,328 \text{ BO} + 8,423 \text{ BO}) \times 100\% = 57.1\%$

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

REC'D / SAN JUAN

OCT 14 2003

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-065-31889		*Pool Code 71599	*Pool Name BASIN DAKOTA
*Property Code 22816	*Property Name SNYDER GAS COM B		*Well Number 1M
*OGED No. 167067	*Operator Name XTO ENERGY INC.		*Elevation 5538

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	19	29-N	9-W		2100	NORTH	780	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	19	29N	9W		875'	NORTH	660'	WEST	SAN JUAN
*Dedicated Acres 409.24		*Joint or Infill I		*Consolidation Code		*Order No. R-2046			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

SEC. CORNER
FD 3 1/4" BC
BLM 1950

S 00°48'48" E
2636' (M)

LOT 1

875'

660'

2100'

BOTTOM HOLE LOCATION

NOV 2003

LOT 5

SEC. CORNER
FD 3 1/4" BC
BLM 1950

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature Jeffrey W. Patton

Printed Name JEFFREY W. PATTON

Title DRILLING ENGINEER

Date 11-13-03

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey NOV 2003

Signature and Seal of Professional Surveyor DAVID A. JOHNSON

14827

Certificate Number 14827

LOT 6

780'

LAT: 36°42'45" N. (NAD 27)
LONG: 107°49'25" W. (NAD 27)

LOT 7

19

LOT 8

LOT 9

LOT 4

LOT 10

QTR. CORNER
STONE & T-POST

S 00°48'01" E
2636.3' (M)

SEC. CORNER
FD 3 1/4" BC
BLM 1950

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

REC'D / SAN JUAN
OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088
OCT 14 2003

OCT 14 2003

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30045-31889		*Pool Code 72319	*Pool Name BLANCO MESAVERDE
*Property Code 22816	*Property Name SNYDER GAS COM B		*Well Number 1M
*OGRSD No. 167067	*Operator Name XTO ENERGY INC		*Elevation 5538

¹⁰ Surface Location

UL or lot no. F	Section 19	Township 29-N	Range 9-W	Lot Idn	Feet from the 2100	North/South line NORTH	Feet from the 780	East/West line WEST	County SAN JUAN
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. C	Section 19	Township 29N	Range 9W	Lot 1dn	Feet from the 875'	North/South line NORTH	Feet from the 660'	East/West line WEST	County SAN JUAN
** Dedicated Acres 409.24		** Joint or Infill I		** Consolidation Code			** Order No. R-1097		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 SEC. CORNER
FD 3 1/4" BC
BLM 1950

S 00°48'48" E
2636' (M)

LOT 1

875'

660'

2100'

LOT 6

780'

LOT 5

LOT 7

LOT 8

LOT 9

LOT 4

LOT 10

QTR. CORNER
STONE & T-POST

S 00°48'01" E
2636.3' (M)

SEC. CORNER
FD 3 1/4" BC
BLM 1950

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature Jeffrey W. Patton

Printed Name JEFFREY W. PATTON

Title DRILLING ENGINEER

Date 11-13-03

OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

S 89°08'47" E
4810.9' (M)

1301 BOTTOMLAND LOCATION

LAT: 36°42'45" N. (NAD 27)
LONG: 107°49'25" W. (NAD 27)

19

to the best of my belief.

DAVID A. JOHNSON
NEW MEXICO
14827
REGISTERED PROFESSIONAL SURVEYOR

14827

Certificate Number