

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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.

2006 APR 12

5. Lease Serial No.

NMSF077875

6. If Indian, Allottee or Tribe Name

7. If Unit of FCA Agreement, Name and/or No.

FARMINGTON NM

8. Well Name and No.

PO PIPKIN #5F

9. API Well No.

30-045-33447

10. Field and Pool, or Exploratory Area

BASIN DAKOTA

BASIN MANCOS

11. County or Parish, State

SAN JUAN

NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

785' FNL & 1960' FEL SEC 7-T27N-R10W

Phone No. (include area code)

505-324-1090

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other **DOWNHOLE**

COMMINGLE

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 recomple 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 final site is ready for final inspection.)

XTO Energy Inc. requests approval to downhole commingle production from the Basin Dakota (71599) and the Basin Mancos (97232) upon completion. The well is being drilled now. Allocations are based upon a 9-section EUR & calculated as follows:

Basin Dakota:	Water: 98%	Oil: 68%	Gas: 90%
Basin Mancos:	Water: 2%	Oil: 32%	Gas: 10%

Ownership in this well's pools is common and notice to owners was unnecessary. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & protection of correlative rights. The NMCD has been notified of our intent to DHC this well via submittal of Form C-103.

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.

no order yet 5-10-06

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

HOLLY C. PERKINS

Title

REGULATORY COMPLIANCE TECH

Date

4/11/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Mark Halbert

Title

PET ENR

Date

4-24-06

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

BLM- FFO

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

NMCD

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Ave., Archa, NM 88210

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

RECEIVED

OTO FARM AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-33447	*Pool Code 71599	*Well Name Basin Dakota
*Property Code	*Property Name P O RPKIN	*Well Number 5F
*OCHD No. 167067	*Operator Name XTO ENERGY INC.	*Elevation 5951'

10 Surface Location

UL or lot no. B	Section 7	Township 27-N	Range 10-W	Lot No. 785	Feet from the 785	North/South line NORTH	Feet from the 1960	East/West line EAST	County SAN JUAN
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
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*Dedicated Acres 812 380.00	*Date of Well	*Consolidation Code	*Order No.
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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	LOT 1 FD. 2 1/2" B.C. 1913 U.S.G.L.O.	LOT 2 LAT. 36°35'41.6" N (NAD 27) LONG. 107°56'02.2" W (NAD 27)	LOT 3	LOT 4
N 69°44'47" W 2641.5' (M)		1960'		
FD. 2 1/2" B.C. 1913 U.S.G.L.O.		S 50°08'57" E 2639.7' (M)		
FD. 2 1/2" B.C. 1913 U.S.G.L.O.				

17 OPERATOR CERTIFICATION

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

Signature: *Jerry A. Small*
Printed Name: **Jerry A. Small**
Regulatory Compliance Tech.
Date: **8/10/05**

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.

Signature: *[Signature]*
Printed Name: **[Name]**
Date: **8/10/05**

NEW MEXICO
14881
REGISTERED PROFESSIONAL SURVEYOR

Certificate Number

DISTRICT I
1625 N. French Dr., Dallas, TX 75240

DISTRICT II
1301 W. Grand Ave., Artesia, NM 88210

DISTRICT III
1000 Rio Hachos Rd., Artesia, NM 87010

DISTRICT IV
1720 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONVEYANCE DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

APR 12 AM 9 '03

RECEIVED
OIL CONVEYANCE DIVISION

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-33447	Well Code 97232	Well Name Basin mancos
Property Code	Property Name P. O. PIPKIN	Well Number 5F
Lease No. 167067	Owner Name XTO ENERGY INC	Elevation 5951'

10 Surface Location							
UL or lot no.	Section	Township	Range	Location	Feet from line	North/South line	East/West line
B	7	27-N	10-W		785	NORTH	EAST
County SAN JUAN							

11 Bottom Hole Location If Different From Surface							
UL or lot no.	Section	Township	Range	Location	Feet from line	North/South line	East/West line
County							

12 Dedicatory Acres **NE 1/4 160.00**

13 Unit or well

14 Completion Code

15 Order No.

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	17 OPERATOR CERTIFICATION
		I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief.
		<i>Deley H. Smaller</i> Signature <i>Deley H. Smaller</i> Printed Name Regulatory Compliance Tech Date 8/10/05
		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 8/10/05 Signature <i>[Signature]</i> Printed Name <i>[Name]</i> Surveyor Professional Surveyor Forfeiture Number

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 Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-33447
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMSF077875
7. Lease Name or Unit Agreement Name: PO PIPKIN
8. Well Number #5F
9. OGRID Number 167067
10. Pool name or Wildcat BASIN DAKOTA/BASIN MANCOS

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> 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 B : 785 feet from the NORTH line and 1960 feet from the EAST line Section 7 Township 27N Range 10W NMPM County SAN JUAN

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

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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 approval to downhole commingle production from the Basin Dakota (71599) and the Basin Mancos (97232) upon completion. This well is being drilled now. Allocations are based upon a 9-section EUR & calculated as follows:
Basin Dakota: Water: 98% Oil: 68% Gas: 90% Basin Mancos: Water: 2% Oil: 32% Gas: 10%
Ownership in this well's pools is common & notice to owners was unnecessary. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & protection of correlative rights. The ELM was notified of our intent to DHC this well via submittal of Form 3160-5.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 4/11/2006
E-mail address: Regulatory@xtoenergy.com
Type or print name HOLLY C. PERKINS Telephone No. 505-324-1090

For State Use Only

APPROVED BY _____ TITLE _____ DATE _____
Conditions of Approval, if any:

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☐ Yes ☒ No

APPLICATION FOR DOWNHOLE COMMINGLING

XTO ENERGY INC. 2700 FARMINGTON AVENUE, SUITE K-1 FARMINGTON, NM 87401

Operator Address
PO PIPKIN 5F B SEC 07-T27N-R10 SAN JUAN

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 167067 Property Code API No 30-045-33447se Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name Basin DK/Blanco MV/ Otero CH	BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5486'-5739'		6204'-6430'
Method of Production (Flowing or Artificial Lift)	FLOWING	FLOWING	FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	NEW DRILL	NEW DRILL	NEW DRILL
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	NEW ZONE
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas Water 32% 10 % 2 %	Oil Gas Water % % %	Oil Gas Water 68% 90% 98 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐
Will commingling decrease the value of production? Yes ☐ Nos ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐
NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE HOLLY C. PERKINS TITLE REGULATORY COMPLIANCE TECH DATE 4/11/2006

TYPE OR PRINT NAME HOLLY C. PERKINS TELEPHONE NO. (505) 326-2777

E-MAIL ADDRESS holly_perkins@xtoenergy.com