Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

5. Lease Serial No.

SUNDRY NO	OTICES AND REPORTS ON WELLS
Do not use this	orm for proposals to drill or to re-enter an
abandoned well.	Use form 3160-3 (APD) for such proposals.

SUNDRY NOTICES AND REPORTS ON WELLS					MINIMINIOSSOU		
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.					6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on reverse side.					7. If Unit or CA/Agree	ement, Name and/or No	
Type of Well Oil Well					7 64 Sy	8. Well Name and No. FLORANCE D 4B	
2. Name of Operator XTO ENERGY INC.	Contact:	HOLLY PERI E-Mail: Holly_F		doenergy.	com	9. API Well No. 30-045-31082	
3a. Address 2700 FARMINGTON AVE, BLDG K, SUITE 1 Ph: 505.33 FARMINGTON, NM 87401 Fx: 505.56			4.1090 E			10. Field and Pool, or BLANCO MV / 0	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)						11. County or Parish,	and State
Sec 20 T27N R08W NESE 2350FSL 1105FEL						SAN JUAN COL	JNTY, NM
12. CHECK APPE	ROPRIATE BOX(ES) T	O INDICATE	NATUR	RE OF N	OTICE, R	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION	TYPE OF ACTION						
	☐ Acidize	☐ Deep	pen		☐ Produc	tion (Start/Resume)	■ Water Shut-Off
☑ Notice of Intent	☐ Alter Casing	☐ Frac	ture Treat	t	☐ Reclam	ation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	□ New	/ Construc	ction	☐ Recom	plete	⊠ Other
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug	g and Aba	ndon	☐ Tempo	rarily Abandon	Surface Comming
	☐ Convert to Injection	□ Plug	g Back		☐ Water I	Disposal	
13. Describe Proposed or Completed Oplif the proposal is to deepen directions Attach the Bond under which the wo following completion of the involved testing has been completed. Final Atdetermined that the site is ready for for XTO Energy Inc. plans to surf	ally or recomplete horizontally rk will be performed or provid operations. If the operation roandonment Notices shall be final inspection.)	r, give subsurface the Bond No. or esults in a multiplified only after all	n file with le completi requiremer	ind measur BLM/BIA. on or recor nts, includi	ed and true v Required su	ibsequent reports shall be new interval a Form 316	e filed within 30 days 60-4 shall be filed once
14. I hereby certify that the foregoing is	Electronic Submission	#13232 verified ENERGY INC.,	i by the E sent to t	BLM Well he Farmii	Information ngton	n System	
Name (Printed/Typed) DARRIN S	STEED		Title	OPERA1	TIONS EN	GINEER	
			4				

which would entitle the applicant to conduct operations thereon 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.

(Electronic Submission)

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

Signature

_Approved_By_

Date

Title

Office

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

07/31/2002

Date



July 29, 2002

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

RE:

Administrative Approval to Surface Commingle Florance D LS #16 & Florance D #4B Sec 20, T-27-N R-8-W San Juan County, New Mexico

Dear Mr. Catanach,

XTO Energy, Inc. (XTO) requests administrative approval to surface commingle the Florance D LS #16 and the Florance D #4B. The Florance D #4B will be new Blanco Mesaverde/Otero Chacra well.

Both wells are located on the same Federal Lease #NMNM – 03380. Since all working, revenue and royalty interest owners are common interest owner notification was not necessary. The Bureau of Land Management (BLM) has requested that central tank batteries be utilized to minimize land disturbance whenever possible. Production allocation testing is described on the attached document.

The following are enclosed for your review of the proposed surface commingling.

- 1. Well information table.
- 2. Battery schematic of proposed installation.
- 3. Well location plat.
- 4. Proposed testing schedule and procedure for allocation purposes.

If you need additional information or have any questions, please give me a call at (505) 324-1090.

Sincerely,

XTO ENERGY, INC

Darrin L. Steed Operations Engineer

Enclosures

Cc:

DLS File Well File GLM

C:\Work\Surface Commingles\Florance D LS #16 & D #4B.doc

Proposed Testing Procedure and Schedule

The Florance D #4B will have all oil, water and gas commingled at the Florance D LS #16 separator. Allocation of oil, water and gas between these two wells will be determined on a semiannual basis. Since the Florance D #4B is a new well and more prone to production rate variance it will be shut in during testing. The Florance D LS #16 was completed in 1966 as a South Blanco Pictured Cliffs well. Due to the productive nature of the Pictured Cliffs no oil or water production will be allocated to this well. Due to its age the Florance D LS #16 is better able to maintain a stable production rate over the proposed six month allocation period.

The Florance D #4B will be shut in until a stabilized production rate is obtained from the Florance D LS #16. All gas production will be measured daily to obtain an average volume for allocation. This daily average volume will be allocated to this well for a six month period following each test. Once testing is completed the production from the Florance D #4B will be determined by the following equation:

Gas Production = Volume @ gas meter + Fuel Usage - Florance D LS #16 allocation.

Oil and Water Production = Total volume for each product.

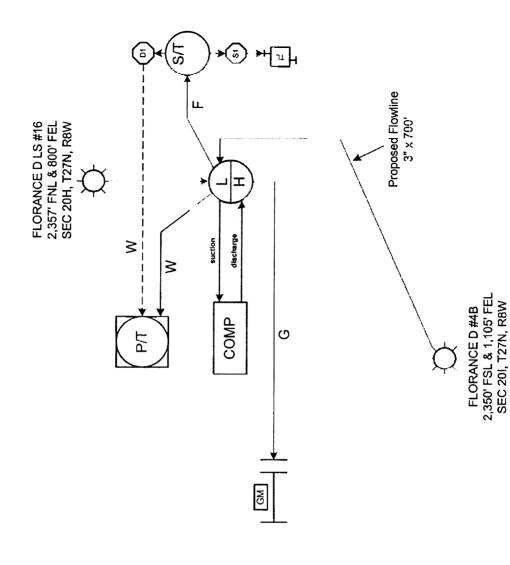
Well Information

	Florance D LS #16	Florance D #4B
Location	Sec 20H, T27N, R8W	Sec 20I, T27N, R8W
Formation	Pictured Cliffs	Mesaverde/Chacra
API#	30-045-11707	30-045-31082
Pool Name	South Blanco	Blanco/Otero
Pool Code	72439	72319/82329
Gas Gravity	.740	Est .700
Gas Rate (MCFD)	56	Est. 500
Oil Gravity	NA	Est. 55
Oil Rate (BPD)	0	Est 1.0
Water Rate (BPD)	0	Est. 1.0
wı	100%	100%
NRI	67.5%	67.5%

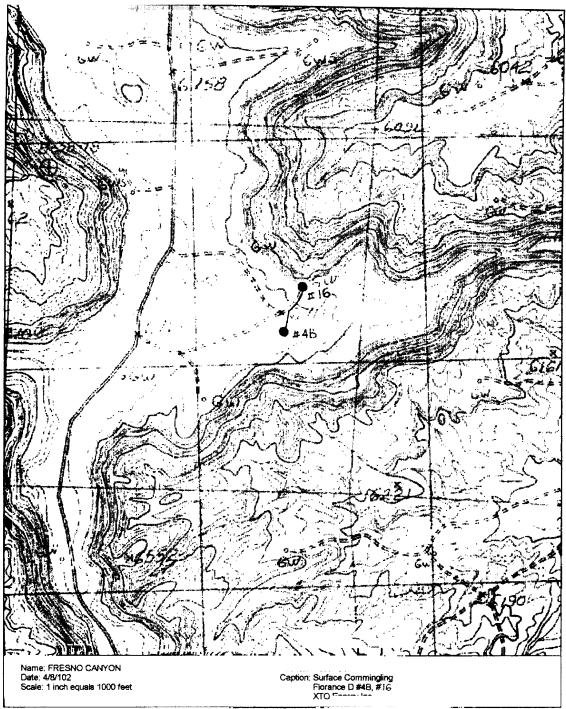
Production volumes are averaged over the past 8 months.

PROPOSED COMMINGLING SCHEMATIC FLORANCE D LS #16 & FLORANCE D #4B E/2 SEC. 20, T-27-N, R-8-W XTO ENERGY INC

Federal Lease #: NMNM-03380



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