



XTO Energy Inc.
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February 26, 2018

FEDERAL EXPRESS

Bureau of Land Management
Carlsbad District Office
620 E. Green Street
Carlsbad, NM 88220
Attn: Mr. Chris Walls

New Mexico State Land Office
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87501
Attn: Ms. Marilyn Gruebel, Ph. D.

New Mexico Oil Conservation Division
1220 St. Francis
Santa Fe, NM 87505
Attn: Mr. David Brooks

Re: 2017 Review of Operations
2018 Plan of Development
James Ranch Unit (NM 70765X)
Eddy County, New Mexico

Ladies and Gentlemen:

XTO Holdings LLC (XTO) has assumed operations of the James Ranch Unit from BOPCO LP. In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1952, XTO hereby submits for your information a 2017 Review of Operations, and for your approval the 2018 Plan of Development.

As a prudent operator, XTO will pursue unit operations that utilize best practices for the efficient development and conservation of the natural resources to achieve the highest level of economic recovery, while focusing on the protection of correlative rights and the prevention of waste.

As discussed below please find the following:

- Current Status of Existing Wells
- Review of 2017 Operations, and wells drilled
- 2018 Plan of Development, and wells to be drilled
- Expanded Unit Boundary Plat
- Unit Production plot for each reservoir

An **ExxonMobil** Subsidiary

It is understood that approval of the 2018 Plan of Development (POD) is not an authorization of operations requiring specific permitting, referencing by way of example and not an all-inclusive list, drill well APD's or pipeline Rights-of-Way. Further, any modification that increases the work plan of this POD will be requested by operator filing of a Supplemental plan.

If this Plan of Development meets with your approval, please advise the undersigned in writing at your earliest opportunity.

If during your review of this information you should have reservoir questions please direct same to Austin Bridwell at 817-885-3602. All other questions may be directed to the undersigned at 817-885-6801, or alternatively at kenneth_hilger@xtoenergy.com

2017 Review of Operations

- *Drilled*
 - Commenced drilling operations on 157H, 127H, 169H, 161H, and 146H pursuant to previously approved BLM APD's. Completion of these wells occurring in 2018.
- *Plugged and Abandoned*
 - James Ranch Unit No. 70 Well
 - Legg Federal No. 1 SWD
- *Participating Areas*
 - No Participating Areas were revised or established in 2017
- *Unit Expansion*
 - Held an Application Hearing with New Mexico Oil Conservation Division under Case No. 15844 for the 13,224.68 acres expansion of James Ranch Unit

2018 Plan of Development

- *Drilling*
 - Commence drilling operations on 194H, 193H, 192H, 191H, 206H, 204H, and 203H pursuant to previously approved BLM APD's.
- *Plugged and Abandoned*
 - No wells planned for plugging and abandonment
- *Participating Areas*
 - Submit Bone Spring Commercial Determinations on the 12H, 126H, 163H, 162H for Participating Area approvals
- *Infrastructure*
 - Progress facilities construction for additional volumes associated with ongoing/planned drilling activity.
- *Unit Expansion*
 - Submit Final Expansion request to BLM and New Mexico State Land Office (SLO)

- Submit Final Expansion request to BLM and New Mexico State Land Office (SLO) following the New Mexico Oil Conservation Division's execution of an Order authorizing the expansion. This follows the 2015 Preliminary Approval letters from the BLM and SLO for the 13,047.36 acre expansion of the James Ranch Unit.

OFFSET OBLIGATIONS

- Appropriate and adequate measures will be taken within James Ranch Unit to prevent offset drainage of from adjacent operations pursuant to applicable regulations.

PLAN SUPPLEMENTS

- In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be supplemented if necessary to address a change in plans.

EFFECTIVE DATE

- This Plan of Development shall be considered effective as of January 1, 2018.

Sincerely,

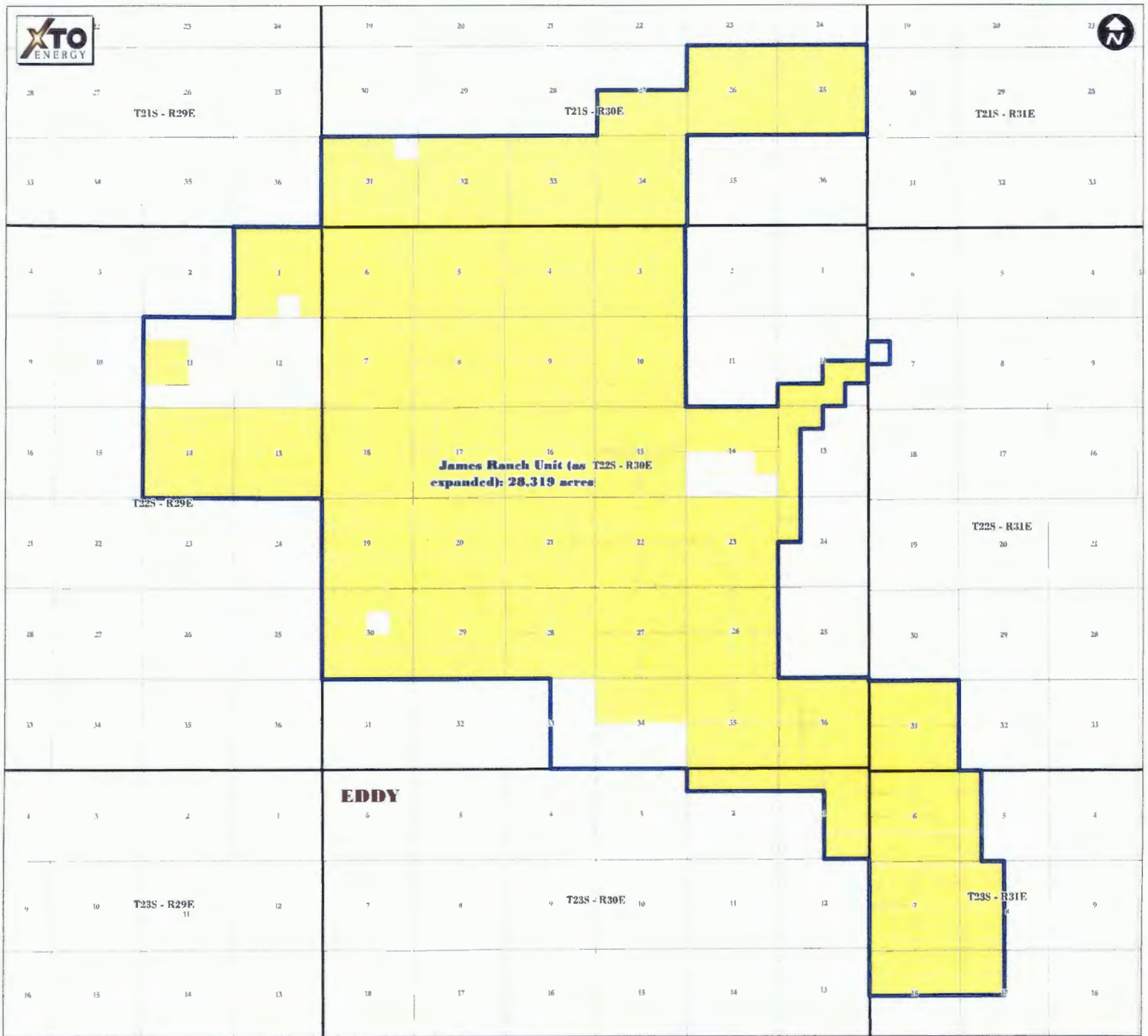


Ken Hilger, CPL
Division Landman





XTO Energy Inc.
810 Houston Street
Fort Worth, TX 67102

CURRENT STATUS of EXISTING WELLS

<u>WELL</u>	<u>WELL NO</u>	<u>STATUS</u>	<u>FIELD</u>	<u>RESERVOIR</u>	<u>API</u>	<u>MAJOR</u>	<u>2017 activity</u>	<u>2018 planned activity</u>
JAMES RANCH UNIT	1	(INA)	LOS MEDANOS	ATOKA	30015047350000	OIL		
JAMES RANCH UNIT	10	ACT.	LOS MEDANOS	ATOKA	30015230750000	GAS		
JAMES RANCH UNIT	103H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015371750000	OIL		
JAMES RANCH UNIT	104H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015372710000	OIL		
JAMES RANCH UNIT	105H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015370640000	OIL		
JAMES RANCH UNIT	106H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015370630000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	107H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015370620000	OIL		
JAMES RANCH UNIT	108H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015372730000	OIL		
JAMES RANCH UNIT	109H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015381140000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	11	ACT.	LOS MEDANOS	BONE SPRING	30015233770000	GAS		
JAMES RANCH UNIT	110H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015381150000	OIL		
JAMES RANCH UNIT	111H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015381200000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	112H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015367220000	OIL		
JAMES RANCH UNIT	113H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015370460000	OIL		
JAMES RANCH UNIT	114	ACT.	QUAHADA RIDGE SE	DELAWARE	30015379250000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	115H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015381180000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	119H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015381170000	OIL		
JAMES RANCH UNIT	12	(INA)	LIVINGSTON RIDGE	ATOKA	30015221620000	GAS		
JAMES RANCH UNIT	12	(INA)	WILDCAT	MORROW	30015221620000	GAS		
JAMES RANCH UNIT	120H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015381160000	OIL		PUMP REPAIR
JAMES RANCH UNIT	121H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015381190000	OIL	PUMP REPAIR	CONVERT TO ROD PUMP
JAMES RANCH UNIT	124H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015381130000	OIL		
JAMES RANCH UNIT	126H	ACT.	WILDCAT	BONE SPRING	30015392540000	OIL	PUMP REPAIR / SI FOR OFFSET D&C ACTIVITY	
JAMES RANCH UNIT	129H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015382880000	OIL	PUMP REPAIR	PUMP REPAIR
JAMES RANCH UNIT	12H	ACT.	WILDCAT	BONE SPRING	30015221620000	GAS	PUMP REPAIR	CONVERT TO GAS LIFT INJECTION
JAMES RANCH UNIT	13	ACT.	LOS MEDANOS	ATOKA	30015240620000	GAS	SI FOR PIPELINE REPAIR	RETURN TO PROD
JAMES RANCH UNIT	130H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015383080000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	14	ACT.	LOS MEDANOS	MORROW	30015244200000	GAS		
JAMES RANCH UNIT	140H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015398090000	OIL		PUMP REPAIR
JAMES RANCH UNIT	141H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015399720000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	144H	ACT.	LOS MEDANOS	BONE SPRING	30015414240000	OIL		
JAMES RANCH UNIT	146H	ACT.	SPRABERRY	WOLFCAMP	30015427560000	OIL	DRILL/COMPLETE	
JAMES RANCH UNIT	148H	ACT.	LOS MEDANOS	BONE SPRING	30015414120000	OIL		
JAMES RANCH UNIT	15	(INA)	SAND DUNES W	ATOKA	30015247800000	GAS		
JAMES RANCH UNIT	15	ACT.	LOS MEDANOS	STRAWN	30015247800000	GAS		
JAMES RANCH UNIT	16	ACT.	LOS MEDANOS	DEL/BS/WC	30015286230000	OIL		
JAMES RANCH UNIT	17	ACT.	LOS MEDANOS	DEL/BS/WC	30015277840000	OIL		
JAMES RANCH UNIT	18	(INA)	LOS MEDANOS	MORROW	30015272080000	GAS		
JAMES RANCH UNIT	19	ACT.	QUAHADA RIDGE SE	DELAWARE	30015273570000	OIL		
JAMES RANCH UNIT	190H	ACT.	LOS MEDANOS	BONE SPRING	30015421450000	OIL		
JAMES RANCH UNIT	195H	ACT.	LOS MEDANOS	BONE SPRING	30015423240000	OIL		
JAMES RANCH UNIT	195H	ACT.	LOS MEDANOS S	WOLFCAMP	30015423240000	OIL		
JAMES RANCH UNIT	27	ACT.	LOS MEDANOS	DEL/BS/WC	30015310330000	OIL		
JAMES RANCH UNIT	29	ACT.	QUAHADA RIDGE SE	DELAWARE	30015277350000	OIL		
JAMES RANCH UNIT	3	ACT.	LOS MEDANOS	ATOKA	30015202320000	GAS		
JAMES RANCH UNIT	30	ACT.	LOS MEDANOS	BONE SPRING	30015277040000	OIL		
JAMES RANCH UNIT	30	ACT.	LOS MEDANOS S	WOLFCAMP	30015277040000	OIL		
JAMES RANCH UNIT	31	ACT.	QUAHADA RIDGE SE	DELAWARE	30015308290000	OIL		
JAMES RANCH UNIT	32	ACT.	QUAHADA RIDGE SE	DELAWARE	30015308300000	OIL		
JAMES RANCH UNIT	33	ACT.	QUAHADA RIDGE SE	DELAWARE	30015312070000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	34	ACT.	QUAHADA RIDGE SE	DELAWARE	30015310640000	OIL		
JAMES RANCH UNIT	35	ACT.	QUAHADA RIDGE SE	DELAWARE	30015311670000	OIL		
JAMES RANCH UNIT	36	ACT.	QUAHADA RIDGE SE	DELAWARE	30015276860000	OIL		
JAMES RANCH UNIT	37	ACT.	QUAHADA RIDGE SE	DELAWARE	30015277030000	OIL		
JAMES RANCH UNIT	38	ACT.	QUAHADA RIDGE SE	DELAWARE	30015308560000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	4	ACT.	LOS MEDANOS	ATOKA/MORROW	30015208030000	GAS		
JAMES RANCH UNIT	41	(INA)	QUAHADA RIDGE SE	DELAWARE	30015277340000	OIL		
JAMES RANCH UNIT	48	(INA)	CABIN LAKE	DELAWARE	30015277910000	OIL		
JAMES RANCH UNIT	55	ACT.	LOS MEDANOS	DELAWARE	30015275890000	OIL		
JAMES RANCH UNIT	56	ACT.	LOS MEDANOS	DELAWARE	30015278860000	OIL		
JAMES RANCH UNIT	57	ACT.	LOS MEDANOS	DELAWARE	30015278870000	OIL		
JAMES RANCH UNIT	62	ACT.	QUAHADA RIDGE SE	DELAWARE	30015353400000	OIL		
JAMES RANCH UNIT	63	ACT.	QUAHADA RIDGE SE	DELAWARE	30015308570000	OIL		
JAMES RANCH UNIT	65	ACT.	LOS MEDANOS	DEL/BS/WC	30015279950000	OIL		
JAMES RANCH UNIT	66	ACT.	QUAHADA RIDGE SE	DELAWARE	30015310650000	OIL		
JAMES RANCH UNIT	67	ACT.	QUAHADA RIDGE SE	DELAWARE	30015310040000	OIL		
JAMES RANCH UNIT	7	ACT.	LOS MEDANOS	BONE SPRING	30015212470000	OIL		
JAMES RANCH UNIT	70	(P&A)	LIVINGSTON RIDGE NE	ATOKA	30015280120000	GAS	P&A	
JAMES RANCH UNIT	71	ACT.	LOS MEDANOS	DEL/BS/WC	30015279270000	OIL	TANK REPAIR; PUMP REPAIR	
JAMES RANCH UNIT	73	ACT.	LOS MEDANOS	DEL/BS/WC	30015289790000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	74	ACT.	QUAHADA RIDGE SE	DELAWARE	30015311680000	OIL		
JAMES RANCH UNIT	75Q	ACT.	LOS MEDANOS	DEL/BS/WC	30015331140000	OIL		
JAMES RANCH UNIT	76	ACT.	LOS MEDANOS	DEL/BS/WC	30015291730000	OIL		
JAMES RANCH UNIT	79	ACT.	LOS MEDANOS	DEL/BS/WC	30015310560000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	80	ACT.	LOS MEDANOS	DEL/BS/WC	30015328680000	OIL		
JAMES RANCH UNIT	82	ACT.	QUAHADA RIDGE SE	DELAWARE	30015312080000	OIL	PUMP REPAIR	
JAMES RANCH UNIT	83	ACT.	QUAHADA RIDGE SE	DELAWARE	30015315800000	OIL		
JAMES RANCH UNIT	84	ACT.	QUAHADA RIDGE SE	DELAWARE	30015314050000	OIL		
JAMES RANCH UNIT	85	ACT.	QUAHADA RIDGE SE	DELAWARE	30015353220000	OIL		
JAMES RANCH UNIT	87	ACT.	LOS MEDANOS	DEL/BS/WC	30015342770000	OIL		
JAMES RANCH UNIT	91	ACT.	QUAHADA RIDGE SE	DELAWARE	30015336010000	OIL		
JAMES RANCH UNIT 21 FEDERAL SWD	1 (SWD)	ACT.	SWD	DEVONIAN	30015410740000	SWD		
JAMES RANCH UNIT D11	135H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015423760000	OIL		ESP REPAIR
JAMES RANCH UNIT D11	162H	ACT.	GATUNA CANYON	BONE SPRING	30015426150000	OIL	SI FOR OFFSET D&C ACTIVITY	
JAMES RANCH UNIT D11	163H	ACT.	WILDCAT	BONE SPRING	30015416940000	OIL	SI FOR OFFSET D&C ACTIVITY	
JAMES RANCH UNIT D11	164H	(INA)	WILDCAT	BONE SPRING	30015426270000	OIL		
JAMES RANCH UNIT D12	138H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015397660000	OIL		
JAMES RANCH UNIT D12	139H	ACT.	QUAHADA RIDGE SE	DELAWARE	30015397930000	OIL		
JAMES RANCH UNIT D11	161H	WOC	WILDCAT	BONE SPRING	30015436070000	OIL	SPUD	BRING ONLINE
JAMES RANCH UNIT D11	169H	WOC	WILDCAT	BONE SPRING	30015426280000	OIL	SPUD	BRING ONLINE
JAMES RANCH UNIT D11	127H	WOC	WILDCAT	BONE SPRING	30015432310000	OIL	SPUD	BRING ONLINE
JAMES RANCH UNIT D11	157H	WOC	WILDCAT	BONE SPRING	30015426070000	OIL	SPUD	BRING ONLINE
JAMES RANCH UNIT D1A	203H	(PUD)	WILDCAT	BONE SPRING	30015432370000	OIL		D&C
JAMES RANCH UNIT D1A	204H	(PUD)	WILDCAT	BONE SPRING	30015432400000	OIL		D&C
JAMES RANCH UNIT D1A	206H	(PUD)	WILDCAT	BONE SPRING	30015432360000	OIL		D&C
JAMES RANCH UNIT D12	192H	(PUD)	WILDCAT	BONE SPRING	30015433700000	OIL		D&C
JAMES RANCH UNIT D12	193H	(PUD)	WILDCAT	BONE SPRING	30015433680000	OIL		D&C
JAMES RANCH UNIT D12	194H	(PUD)	WILDCAT	BONE SPRING	30015446780000	OIL		D&C
JAMES RANCH UNIT D12	191H	(PUD)	WILDCAT	WOLFCAMP	30015432590000	OIL		D&C



DELAWARE BASIN

-  NM Township Boundary
-  JRU Unit (as expanded)
-  NM Section Boundary
-  XTO Leasehold

**James Ranch Unit as Expanded
Eddy County, New Mexico
February 2018**

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