

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010NM OIL CONSERVATION
ARTESIA DISTRICT
MAY 16 2016

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.

RECEIVED

5. Lease Serial No.
NMNM01119

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM94450X8. Well Name and No.
AVALON UNIT 5019. API Well No.
30-015-24331-00-S110. Field and Pool, or Exploratory
AVALON11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

XTO ENERGY INCORPORATED

Contact: PATTY R URIAS

E-Mail: patty_urias@xtoenergy.com

3a. Address

500 W ILLINOIS STREET SUITE 100
MIDLAND, TX 79701

3b. Phone No. (include area code)

Ph: 432-620-4318

Fx: 432-618-3530

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

Sec 31 T20S R28E NENE 660FNL 660FEL

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input 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 checked="" 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 | Venting and/or Flaring |
| | <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 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 site is ready for final inspection.)

CORRECTION TO SUNDRY DATED 9/8/14 TRANS 261697

AVALON DELAWARE TANK BATTERY

ASSOCIATED WELLS:

AVALON DELAWARE UNIT #501 30-015-24331

AVALON DELAWARE UNIT #503 30-015-28594

AVALON DELAWARE UNIT #505 30-015-28677

AVALON DELAWARE UNIT #507 30-015-28678

AVALON DELAWARE UNIT #509 30-015-54332

AVALON DELAWARE UNIT #511 30-015-24524

AVALON DELAWARE UNIT #514 30-015-24194

This was an NOI to have not
subsequent.

This subsequent should be to
correct EC# 264169 if it
actually needs correction.

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

Electronic Submission #338233 verified by the BLM Well Information System

For XTO ENERGY INCORPORATED, sent to the Carlsbad

Committed to AFMSS for processing by PRISCILLA PEREZ on 05/03/2016 (16PP1077SE)

Accepted for record
NM OCE AB
5/17/16

Name (Printed/Typed) PATTY R URIAS

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 05/03/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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 **

Additional data for EC transaction #338233 that would not fit on the form

32. Additional remarks, continued

AVALON DELAWARE UNIT #515 30-015-26370 ✓
AVALON DELAWARE UNIT #516 30-015-28665 ✓
AVALON DELAWARE UNIT #517 30-015-24337 ✓
AVALON DELAWARE UNIT #520 30-015-28664 ✓
AVALON DELAWARE UNIT #522 30-015-02434 ✓
AVALON DELAWARE UNIT #523 30-015-28910 ✓
AVALON DELAWARE UNIT #530 30-015-24335 ✓
AVALON DELAWARE UNIT #533 30-015-28667 ✓
AVALON DELAWARE UNIT #536 30-015-24525 ✓
AVALON DELAWARE UNIT #537 30-015-28683 ✓
AVALON DELAWARE UNIT #539 30-015-28682 ✓
AVALON DELAWARE UNIT #540 30-015-24386 ✓
AVALON DELAWARE UNIT #542 30-015-28684 ✓
AVALON DELAWARE UNIT #543 30-015-24376 ✓
AVALON DELAWARE UNIT #546 30-015-24048 ✓
AVALON DELAWARE UNIT #548 30-015-24373 ✓
AVALON DELAWARE UNIT #562 30-015-24377 ✓
AVALON DELAWARE UNIT #570 30-015-28666 ✓
AVALON DELAWARE UNIT #571 30-015-28668 ✓

On 9/7/2014 at 8:30 PM we discovered that DCP had shut us in and was not accepting all our produced gas. Based on volumes we estimate that flare started 9/6/2014 3:00 PM MST. 200 mcf/d

The unexpected malfunction of equipment maintained by 3RD PARTY GAS PURCHASER has caused emergency flaring from the NASH 42 TB of approximately 220 mcf/day. The volumes flared as a result of this equipment malfunction and force majeure event constitute "unavoidably lost" production under NTL 4A Section II.C.(2) ("Unavoidably lost" production shall mean "(2) that oil or gas which is lost because of line failures, equipment malfunctions, blowouts, fires, or Otherwise") and NTL 4A Section III.A. ("Lessees or operators are hereby authorized to vent or flare gas on a short term basis without incurring a royalty obligation in the following circumstances. During temporary emergency situations, such as compressor or other equipment failures"). Therefore, the flared volumes are not royalty bearing under NTL 4A.

Stopped flaring 9/8/2014 at 12:30 PM - total amount flared 417 mcf

CORRECTING FLARE VOLUMES TO 220MCFD - TOTAL FLARED 45.5HRS AND 417 MCF