

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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. NMNM103094
3b. Phone No. (include area code) Ph: 505.324.1090 Ext: 4020 Fx: 505.564.6700		8. Well Name and No. BRUINGTON GAS COM C 1F
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T30N R11W SWNE 1900FNL 1480FEL		9. API Well No. 30-045-34266 31217
		10. Field and Pool, or Exploratory BASIN DK/BLANCO MV
		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 recompleat 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. has filed a Notice of Intent to downhole commingle the Mesaverde and Dakota with the NMOCD. The NMOCD requires a copy of the Form C103 (attached) be sent to the BLM if there is Federal mineral ownership in either spacing unit. The DK spacing unit (N/2, Sec 21) does not contain any Federal minerals ownership. The MV spacing unit (E/2, Sec 21) does contain Federal minerals ownership. Copies of form C102 Well Location and Acreage Dedication Plats for both pools are also attached.

RECEIVED
703 JAN - 8 PM 3:16
070 Farmington, NM

DNC 98742

14. I hereby certify that the foregoing is true and correct. Electronic Submission #17444 verified by the BLM Well Information System For XTO ENERGY INC., will be sent to the Farmington	
Name (Printed/Typed) DARRIN STEED	Title REGULATORY SUPERVISOR
Signature (Electronic Submission)	Date 01/08/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>/s/ Jim Lovato</u>	Title	Date JAN 28 2003
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.

**** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ****

NMOCD

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

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code	⁵ Property Name BRUINGTON GAS COM C	⁶ Well Number 1F
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5808

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
G	21	30-N	11-W		1900	NORTH	1480	EAST	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
¹² Dedicated Acres 320 N/2		¹³ Joint or Infill I		¹⁴ Consolidation 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

<p>16</p> <p>FD 3 1/4" BC BLM 1989</p> <p>S 89-53-50 W 2523.8'(M)</p> <p>1900'</p> <p>1044'</p> <p>585'</p> <p>218'</p> <p>1480'</p> <p>175'</p> <p>LAT. 36°47'59.5" N LONG. 107°59'34" W</p>		<p>17</p> <p>FD 3 1/4" BC BLM 1989</p> <p>S 02-32-34 E 2674.6'(M)</p> <p>17</p> <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature <u>Jeffrey W. Patton</u></p> <p>Printed Name <u>JEFFREY W. PATTON</u></p> <p>Title <u>DRILLING ENGINEER</u></p> <p>Date <u>9-23-02</u></p>
<p>21</p> <p>FD 3 1/4" BC BLM 1989</p> <p>18</p> <p>SURVEYOR CERTIFICATION</p> <p>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 knowledge and belief</p> <p>Date of Survey <u>9-23-02</u></p> <p>Signature and Seal of Registered Professional Surveyor <u>4827</u></p> <p>Certificate Number <u>4827</u></p>		

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

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 72319	³ Pool Name BLANCO MESAVERDE
⁴ Property Code	⁵ Property Name BRUINGTON GAS COM C	⁶ Well Number 1F
⁷ OGRI No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5808

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
G	21	30-N	11-W		1900	NORTH	1480	EAST	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

¹² Dedicated Acres 317.88 E/2	¹³ Joint or Infill I	¹⁴ Consolidation Code	¹⁵ 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	FD 3 1/4" BC BLM 1969	S 89-53-50 W 2523.8 (M)	FD 3 1/4" BC BLM 1969	17	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Jeffrey W Patton</u> Printed Name <u>JEFFREY W PATTON</u> Title <u>DRILLING ENGINEER</u> Date <u>9-23-02</u>
<p>LAT. 36°47'59.5" N LONG. 107°59'34" W</p> <p>1900' 565' 1044' 775' 218' 1480'</p> <p>21</p> <p>FD 3 1/4" BC BLM 1969</p>				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 knowledge and belief Date of Survey <u>14827</u> Signature and Seal of Professional Surveyor Certificate Number <u>14827</u>	

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30-045-31217
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Farmington Gas Com C
8. Well No.
9. Pool name or Wildcat Blanco Mesaverde / Basin Dakota
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5,808' GR

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 <u>G</u> : <u>1900</u> feet from the <u>North</u> line and <u>1480</u> feet from the <u>East</u> line Section <u>21</u> Township <u>30N</u> Range <u>11W</u> NMPM County <u>San Juan</u>
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5,808' GR

11. 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: ☐

12. 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 drilled. XTO requests approval to DHC prior to drilling so that both zones can be completed immediately after drilling is completed. Attachments 1 and 2 summarize the conditions and information required per Rules 303C(1) and 303C(3) (b). The proposed production allocation formula is based on production of offset Dakota and Mesaverde completions in the 9 sections around this well location. See attachments for supporting data.

Proposed Gas Allocation: Dakota - 61% & Mesaverde - 39%
Proposed Oil Allocation: Dakota - 79% & Mesaverde - 21%
Proposed Water Allocation: Dakota - 79% & Mesaverde - 21%

DHC 987 AZ

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

SIGNATURE

Ray Martin

TITLE Operations Engineer

DATE 11/20/02

Type or print name Ray Martin

Telephone No. (505) 324-1090

(This space for State use)

APPROVED BY

Original Signed by STEVEN H. HAYDEN

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. 42

DATE NOV 22 2002

Conditions of approval, if any:

Attachment 2
Bruington Gas Com C #1F Sec 21G, T30W, R11W
API #30-045-31217 C-103 NOI Sundry to DHC
Revised 1/8/03

Additional information per Rule 303C(3)(b):

- (i) Division Order R-11363 established pre-approved pool combinations for downhole commingling.
- (ii) The pools to be commingled are:
Blanco Mesaverde Pool (72319)
Basin Dakota Pool (71599).
- (iii) Blanco Mesaverde perforations: 3,800' – 4,800' (est. perf interval)
Basin Dakota perforations: 6,600' – 6,900' (est. perf interval)
- (iv) The proposed gas and oil production allocation percentages are based on average estimated ultimate recovery per completion of the 25 Mesaverde & 21 Dakota completions in the 9 section area around the proposed well location. Water production will be allocated identical to the oil production allocation. See attached maps and production decline curves for the offset Mesaverde and Dakota wells.

Proposed Allocation Percentages:

	GAS	OIL	WATER
Blanco Mesaverde	39%	21%	21%
Basin Dakota	61%	79%	79%

Blanco Mesaverde Pool (Avg. per well est. ultimate gas & oil recovery)

BO	MMCF
3,322	1,104

Basin Dakota Pool (Avg. per well est. ultimate gas & oil recovery)

BO	MMCF
12,806	1,748

- (v) 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.
- (vi) XTO Energy, Inc sent a notice of our intent to downhole commingle the Dakota and Mesaverde in this well to all working and royalty interest owners (list attached) by certified mail (return receipt) on 10/30/02. No objections were received within the 20 day notification period. The BLM signed a waiver of objection in lieu of a 20-day notification.
- (vii) The Dakota and Mesaverde spacing units do not contain Federal or State lands or minerals. Thus, no notice to State Lands was required. The DK spacing unit (N/2, Sec 21) does not contain any Federal mineral ownership. The MV spacing unit (E/2, Sec 21) does not contain Federal mineral ownership. Thus a copy of the Form C-103 with attachments was sent to the BLM using sundry Notice Form 3160-5.