

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

MAY -4 2012

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

San Juan Field Office
Bureau of Land Management

5 Lease Serial No.

NMSF-079319

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No

N/A

8. Well Name and No.

FLORANCE D #14B

9. API Well No.

30-045-30819

10. Field and Pool, or Exploratory Area

BLANCO MV/ OTERO CH

S. BLANCO PC

11. County or Parish, State

SAN JUAN NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

XTO ENERGY INC.

3a. Address

382 CR 3100 AZTEC, NM 87410

3b Phone No. (include area code)

505-333-3206

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

665' FSL & 1540' FEL SWSE SEC 21 (O) - T27N-R6W

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

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ 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 DOWNHOLECOMMINGLE

- 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 recompleat 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 the S. Blanco Pictured Cliffs (72439) with the Otero Chacra (82329), & Blanco Mesaverde (72319) pools. XTO proposes to downhole commingle these pools upon completion of the PC. Please see the attached spreadsheets for justification of the following proposed allocations:

S. Blanco Pictured Cliffs:	Oil: 0%	Gas: 44%	Water: 96%
Otero Chacra	Oil: 0%	Gas: 13%	Water: 0%
Blanco Mesaverde	Oil: 100%	Gas: 43%	Water: 4%

Pools are not in the NMOC pre-approved pool combinations for downhole commingling in the San Juan Basin and the NMOC was notified of our intent via Form C-107A on 5/2/12. Ownership is common in all zones; therefore, notification to owners is not necessary. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

RCVD MAY 8 '12

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

KRISTEN D. LYNCH

Title REGULATORY ANALYST

Signature

Kristen D. Lynch

Date 5/2/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title Geo

Date 5-4-12

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 FDO

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.

NMOCDA

Florance D 14B - Allocations

Wells Only Producing from the Pictured Cliffs Reservoir within the 9 Section surrounding the Florance D 14B drilled after 2000

LEASE	NO	RESERVOIR	Section	Township	Range	FIELD	OPERATOR	1st PROD	LAST PROD	DAYS ON	CUMUL	CUMUL	CUMUL	AVERAGE	AVERAGE	AVERAGE
											OIL (BBL)	GAS (MCF)	WATER (BBL)	OIL (BBL/D)	GAS (MCF/D)	WATER (BBL/D)
FLORANCE	63M	PICTURED CLIFFS	17	27 N	8 W	BLANCO	XTO ENERGY	20041201	20111201	2571	10	131221	22	0 00	51 04	0 01
FLORANCE D	19	PICTURED CLIFFS	20	27 N	8 W	BLANCO	XTO ENERGY	20050201	20111201	2493	0	172320	815	0 00	69 12	0 33
FLORANCE D	18	PICTURED CLIFFS	20	27 N	8 W	BLANCO	XTO ENERGY	20060701	20111201	2012	0	90914	0	0 00	45 19	0 00
BOLACK C	2R	PICTURED CLIFFS	28	27 N	8 W	BLANCO	XTO ENERGY	20070501	20111201	1642	10	74863	24368	0 01	45 47	14 84
BOLACK C	22	PICTURED CLIFFS	28	27 N	8 W	BLANCO	XTO ENERGY	20051001	20111201	2235	0	164230	0	0 00	73 48	0 00
Average														0 00	56 86	3 04

Florance D 14B Current Production

LEASE	NO	RESERVOIR	Section	Township	Range	FIELD	OPERATOR	12 MONTH AVERAGE OF LATEST PROD		
								OIL (BBL/D)	GAS (MCF/D)	WATER (BBL/D)
FLORANCE D	14B	CHACRA	21	27 N	8 W	OTERO	XTO ENERGY	0 00	17 11	0 00
FLORANCE D	14B	MESAVERDE	21	27 N	8 W	BLANCO	XTO ENERGY	0 07	54 20	0 12

Allocations

	Oil	Gas	Water
Pictured Cliffs	0%	44%	96%
Chacra	0%	13%	0%
Mesaverde	100%	43%	4%