FORM APPROVED **UNITED STATES** OMB NO. 1004-0137 DEPARTMENT OF THE INTERIOR 🌣 🥣 🔿 Expires July 31, 2010 BUREAU OF LAND MANAGEMENT 5 Lease Serial No JUN 04 25 UNDRY NOTICES AND REPORTS ON WELLS NMSF-078213 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an Farmingtoabandonéd;well. Use Form 3160-3 (APD) for such proposals. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2 Type of Well Well Name and No. Oil Well X Gas Well Other ARNIE #4 Name of Operator XIO Energy Inc. 9 API Well No 3a Address 3b Phone No (include area code) 30-045-31008 382 CR 3100, AZTEC, NM 87410 505-333-3630 10 Field and Pool, or Exploratory Area 4 Location of Well (Footage, Sec. T, R, M, or Survey Description) BASIN FRUITLAND COAL 735' FNL & 660' FEL NENE: SEC. 25 (A) -T30N-R13W N.M.P.M. 11 County or Parish, State SAN JUAN NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report New Construction Casing Repair Recomplete METER Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal VARIANCE 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 recomplete 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 final site is ready for final inspection) XTO Energy Inc. would like to request an exception to the Onshore Order #5 that requires quarterly meter calibration. Due to low volume (less than 100 mcfd). XTO Energy Inc. proposes to calibrate the meter for this well semi-annual. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Tıtle SHERRY J. MORROW REGULATORY ANALYST Signature Date 6/1/2012 THIS SPACE FOR FEDERAL OR STATE OFFICE USE ACCEPTED FOR RECORD Title Approved by Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that Office BY ME K.J Schneider the applicant holds legal or equitable title to those rights in the subject lease which would

entitle the applicant to conduct operations thereon

Well and Notice Remarks

Doc. Number 12KXS0570S

Doc. Type VARI

Case Number NMSF078213

Type 311111

CITY OF FARMINGTON

300453100800S1 **FACILITY**

Well Name ARNIE ARNIE

Number

Operator XTO ENERGY INC XTO ENERGY INC

Doc. Number

Date

Author

Subject

Category

12KXS0570S

07/11/2012

KEVIN SCHNEIDER

VARI

APPROVAL

Category

GENERAL

Date 07/11/2012 -

Variance to Onshore Order #5, for semi-annual gas meter calibrations in accordance with NTL 92-5 Wells produce Less than 100 MCFD Approval is indefinite and will remain in effect until production no longer meets the requirement of NTL 92-5 or is rescinded by the BLM by writtnen notice.