Form 3160-5 (August 1999)

Type of Well

3a. Address

Name of Operator

200 ENERGY CT

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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.

FORM-APPROVED	
OMB NO. 1004-0135	
Expires: November 30, 2000	
Lease Serial No.	
FFF /	

/	Expires: November 30, 2000	
5.	Lease Serial No. FEE	
6.	If Indian, Allottee or Tribe Name	
	If Unit or CA/Agreement, Name and/or No.	
8.	Well Name and No. MultipleSee Attached	
9.	API Well No. MultipleSee Attached	

3b. Phone No. (include area code)
Ph: 505.324.1090 Ext: 4020 Fx: 505.564.6700 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 30-045-26252 30-045-25895

E-Mail: Regulatory@xtoenergy.com

Multiple--See Attached 11. County or Parish, and State

SAN JUAN COUNTY, NM

Field and Pool, or Exploratory

30-045-23/62

Multiple--See Attached

Oil Well Gas Well Other

BIP AMERICA PRODUCTION CO

FARMINGTON, NM 87402

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

TYPE OF SUBMISSION		ТҮРЕ С	F ACTION .	
Notice of Intent Subsequent Report Final Abandonment Notice	☐ Acidize ☐ Alter Casing ☐ Casing Repair ☐ Change Plans	Deepen Fracture Treat New Construction Plug and Abandon	Production (Start/Resume) Reclamation Recomplete Temporarily Abandon	☐ Water Shut-Off ☐ Well Integrity ☐ Other Surface Comming

HOLLY PERKINS

gling ☐ 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 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 site is ready for final inspection.)

☐ Plug Back

XTO Energy Inc. proposes to surface commingle the above wells per attached documents.

Convert to Injection



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

Electronic Submission #34180 verified by the BLM Well Information System For BP AMERICA PRODUCTION CO, sent to the Farmington Committed to AFMSS for processing by JM LOVATO on 10/18/2004 (05JXL0003SE)

Signature (Electronic Submission) Date 08/05/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JIM LOVATO 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.

Name (Printed/Typed) HOLLY PERKINS

TitlePETROLEUM ENGINEER

Date 01/06/2005

Office Farmington

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.

REGULATORY COMPLIANCE TECH

Additional data for EC transaction #34180 that would not fit on the form

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

NMNM75973 NMNM76350 NMNM76359

Wells/Facilities, continued

Agreement NMNM76350 NMNM76359 NMNM75973 Lease FEE Well/Fac Name, Number CHAVEZ GASCOM F 1 FEE

MOSS FED COM A 1 CHAVES GAS COM 1R API Number 30-045-26252-00-S1

30-045-25895-00-S1 30-045-<u>23162</u>-00-S1 Location
Sec 23 T29N R10W NWSE 1760FSL 1690FEL 36.70940 N Lat, 107.85040 W Lon
Sec 23 T29N R10W NWSE 1690FSL 1730FEL 36.70921 N Lat, 107.85054 W Lon
Sec 23 T29N R10W NWSE 1590FSL 1590FEL 36.70892 N Lat, 107.85004 W Lon

10. Field and Pool, continued

FEE

UNNAMED



2700 Farmington Ave, K-1 Farmington, NM 87401 Phone: (505) 324-1090 FAX: (505) 564-6700

July 30, 2004

Mr. William Jones New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM: 87505 Mr. Jim Lovato Bureau of Land Management 1235 LaPlata Hwy Farmington, NM 87401

Subject: Proposed Surface Commingle and Off-lease Measurement

Chavez Gas Com C #1R, Chavez Gas Com F #1, Moss Federal Gas Com A #1

Chavez Gas Com C #1R CDP; San Juan County, NM

Federal Leases NMSF077082, NMNM99332 & CA # NM015P3585C424

Dear Mr. Jones & Mr. Lovato:

XTO Energy Inc. requests administrative approval for surface commingling and off-lease measurement of natural gas produced from the following wells operated by XTO Energy Inc.: Chavez Gas Com C #1R, Chavez Gas Com F #1 and the Moss Federal Gas Com A #1. These wells are located in Section 23, T29N, R10W in San Juan County, New Mexico. Lease/Agreement numbers for the proposed commingled wells are: SRM1294, NM015P3585C413, and NM015P3585C423.

XTO plans to produce the commingled gas through a central compressor, thus lowering operating expenses and extending the economic life of the wells, thus increasing their ultimate recoveries on all Indians and non-Indian leases. The anticipated fuel requirements for each well is also presented, and currently we anticipate the only fuel requirements to be for pumping unit engines, separators and for the compressor engine. There are no bypass gas lines for this system.

Each well will be equipped with allocation meters, which will be maintained by XTO Energy in accordance with State and Federal Regulations (Onshore Order No. 5). To ensure the initial system integrity, all flowlines will be pressure tested appropriately. Produced liquids will not be surface commingled. All interest owners have been notified via certified mail, return receipt, on July 7, 2004.

The following attachments are included with this application:

Form C107B (application for surface commingle; diverse ownership)
Map of all wells and their associated leases

Form C-102 for each well (plats)

Table of well & lease information, spacing, permits, lease numbers, gravities/BTU MCF Schematic diagram showing all flowlines, compressors & equipment

Details of allocation formula, including line purging and venting

Letter to WI, NRI & ORRI owners & list of owners

Administrative Application Checklist

Sincerely

Holly C. Perkins

Regulatory Compliance Tech

xc; OCD, Aztec Office

1623 N. French Drive, Hobbs, NM 88240 District III 1301 W. Grand Ave. Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. S. Francis Dr., Santa Fe, NM 87505

B-MAIL ADDRESS: Holly perkins@xtoenergy.com

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Form C-107-B Revised June 10, 2003

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)								
OPERATOR NAME:		ERGY INC.				637		
OPERATOR ADDRESS: 2700 FARMINGTON AVE, SUITE K-1								
APPLICATION TYPE								
Pool-Commungling Dease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Comminglet)								
LEASE TYPE 🔲 Fe		State X Feder				Tautherani.		
Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling. Yes DNo.								
(A) POOL COMMINGLING Please attach sheets with the following information								
(1) Pool Names and Codes		Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes		
BASIN DAKOTA	71599	0.7140						
OTERO CHACRA	82329	0.7140						
BLANCO MESAVERDE	72319	0.7550	_					
(2) Are any wells producing at top allowables? ☐ Yes ☒ No (3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No. (4) Measurement type ☒ Metering ☐ Other (Specify) (5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved.								
(B) LEASE COMMINGLING Please attach sheets with the following information								
(1) Pool Name and Code. (2) Is all production from same source of supply? Yes No (3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No (4) Measurement type: Metering Other (Specify)								
(C) POOL and LEASE COMMINGLING Please attach sheets with the following information								
(1) Complete Sections A and I	7	Please attach sheet	s with the following in	aformation .		12.08 (n. 2010) 12.08 (n. 2010)		
						16.26.391111		
			ORAGE and MEA	THE RESERVE OF THE PROPERTY OF				
Please attached sheets with the following information (1) Is all production from same source of supply? Yes No								
(2) Include proof of notice to a	14.0	The second secon				440		
DENOTE CONTROL OF THE PROPERTY								
(E) ADDITIONAL INFORMATION (for all application types) Please attach sheets with the following information								
(1) A schematic diagram of facility, including legal location. (2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved. (3) Lease Names, Lease and Well Numbers, and API Numbers. I hereby certify that the information above is true, and complete to the best of my knowledge and belief.								
SIGNATURE WWW.	J. (-) DLLY C. PI		•	ORY COMPLIAN		TE: <u>7/29/04</u>		
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DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.	
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



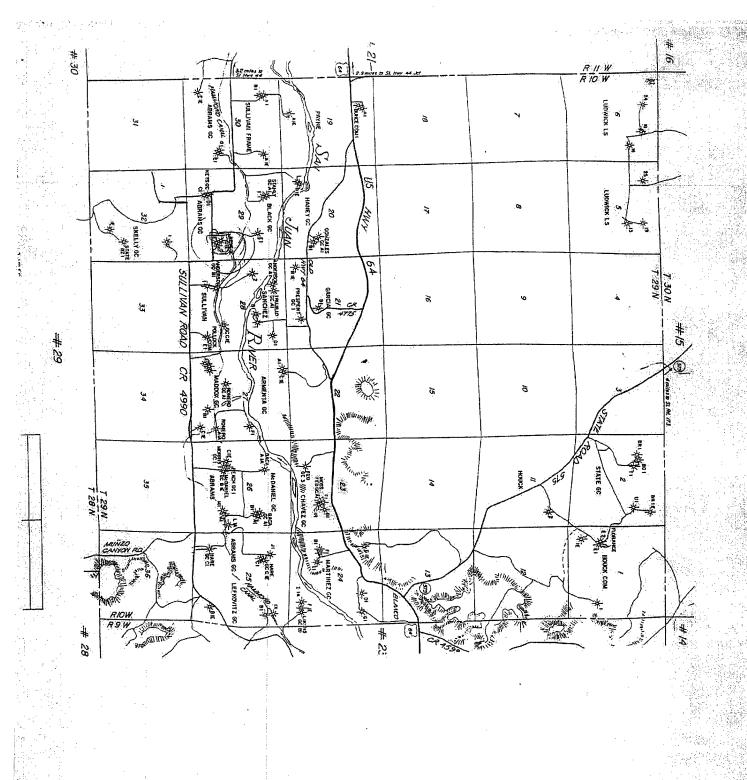
ADMINISTRATIVE APPLICATION CHECK THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE **Application Acronyms:** [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] TYPE OF APPLICATION - Check Those Which Apply for [A] [1] [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD Check One Only for [B] or [C] [B] Commingling - Storage - Measurement ☐ DHC ☐ CTB XX PLC ☐ PC ☐ OLS ☐ OLM [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR [D]Other: Specify NOTIFICATION REQUIRED TO: - Check Those Which Apply, or \(\subseteq \text{Does Not Apply} \) [2] XX Working, Royalty or Overriding Royalty Interest Owners [A] [B] Offset Operators, Leaseholders or Surface Owner [C] Application is One Which Requires Published Legal Notice XX Notification and/or Concurrent Approval by BLM or SLO [D] U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office E For all of the above, Proof of Notification or Publication is Attached, and/or, [F] Waivers are Attached [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE. CERTIFICATION: I hereby certify that the information submitted with this application for administrative [4] approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division. Note: Statement must be completed by an individual with managerial and/or supervisory capacity. HOLLY C. PERKINS REGULATORY COMPLIANCE TECH Signature^C Print or Type Name Date Holly perkins@xtoenergy.com

e-mail Address

CHAVEZ GAS COM C #1R CDP

	12	Well Information	14
	Chavez Gas Com C #1R	Chavez Gas Com F #1	Moss Federal Gas Com A #1
Location	Sec 23, T29N, R10W	Sec 23, T29N, R10W	Sec 23, T29N, R10W
Footages	1590' FSL & 1590' FEL	1760' FSL & 1690' FEL	1690' FSL & 1730' FEL
Formation/Pool	Basin Dakota	Otero Chacra	Blanco MV
API#	30-045-23162	30-045-26252	30-045-25895
Gas Gravity	0.744	0.662	0.755
BTU	1212.5	1169.2	1287.9
Gas Rate (MCF)	72	19	19
- M	0.75	0	25
NE	0.65625	30	.438
Lease/Agreement #	CA # SRM1294	CA # NM015P3585C413	CA # NM015P3585C423
Permits	NA	A/N	ΑΝ
Spacing	SESW/4 S/2	NWSE/4 E/2	NWSE/4 S/2

Compressor and other equipment fuel usage will be determined based on manufacturer's specifications Pumping unit & separator fuel will be allocated to well if equipment exists



NEW MEXICO OIL CONSERVATION COMMISSION

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STATE OF NEW MEXICO

IL CONSERVATION DIVISION P. O. BOX 2011

SANTA FE, NEW MEXICO 87501

form C-107 keylied 10-1

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STATE OF NEW MEXICO Y MO MINERALS DEPARTMENT

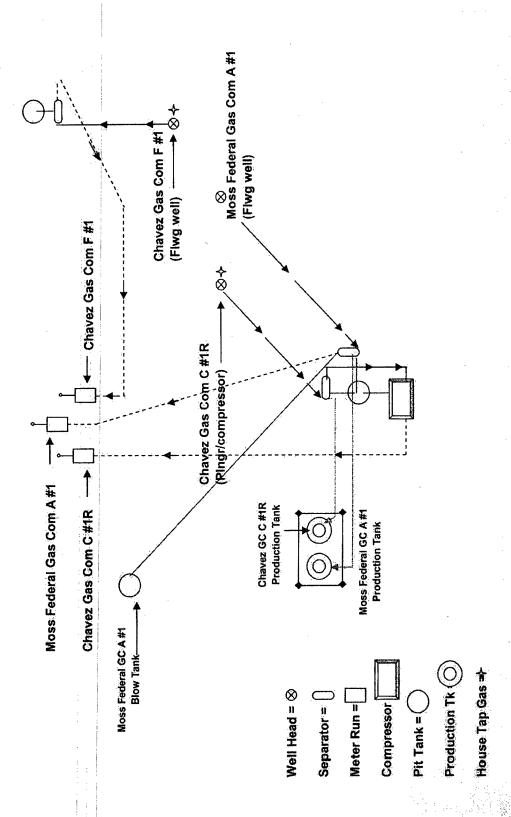
OL CONSERVATION DIVISION P. O. BOX 2048

SANTA FE, NEW MEXICO 87501

All distances must be from the cuter houndaries of the Section.

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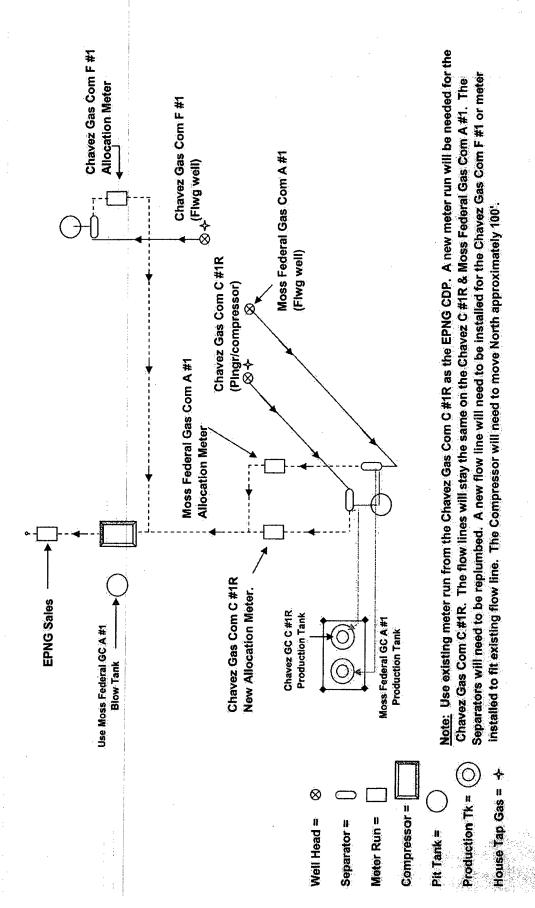
Moss Federal Gas Com A#1: 30-045-25895



Proposed Installation

CHAVEZ GAS COM C #1R PROPOSED SURFACE COMMINGLE LOCATION Chaves Gas Federal Gas Com A #1: 30-045-25895

Chavez Gas Com F #1: 30-045-26252



CHAVEZ GAS COM C #1R CDP

PROPOSED ALLOCATION PROCEDURES

Base Data:

W = Gas Volume (MCF) from allocation meters at individual wells during allocation period

X = Gas Volume (MCF) from CDP sales meter during allocation period

Y = BTU's from CDP sales meter during allocation period

Allocation period is typically a calendar month & will be the same for all wells

Individual Well Gas Production = A + B + C +D + E

- A = Allocated Sales Volume, MCF (W/SUM W) x X
- B = On lease fuel usage, MCF. Determined fr/equipment specification & operating conditions
- C = Purged and/or vented gas fr/well and/or lease equipment, MCF. Calculated using equipment specifications & pressures.
- D = Allocated fuel fr/gathering system equipment, MCF> The total fuel required to operate gathering system equipment will be allocated to the individual wells benefiting fr/the equipment using allocation factors determined by W/SUM W for the wells involved.
- E = Allocated volume of gas lost and/or vented fr/the gathering system and/or gathering system equipment, MCF. The total volume will be determined using industry accepted procedures for the conditions existing at the time of the loss. All volumes corresponding to liquid condensation within the gathering system will also be determined. The total volume lost and/or vented will be allocated to the individual wells affected using factors determined by W/SUM W.

Allocated individual Well BTU's = (WWW x Individual well BTU/SUM (W x individual well BTU)) x Y.

Individual well gas heating values to be determined in accordance w/BLM regulations

(Onshore Order No. 5)



2700 Farmington Ave, K-1 Farmington, NM 87401 Phone: (505) 324-1090 FAX: (505) 564-6700

July 7, 2004

RE: Notice to Working and Royalty Interest Owners

Application to Surface Commingle Gas Production

San Juan County, NM

XTO Energy Inc. is applying to the New Mexico Oil Conservation Division (NMOCD) and Bureau of Land Management (BLM) for approval to surface commingle gas production from the Chavez Gas. Com C #1R, the Chavez Gas Com F #1 and the Moss Federal Gas Com A #1. The NMOCD requires all interest owners be notified of plans to surface commingle when ownership is different between wells.

Produced gas from each well will be measured separately prior to being commingled. We plan to produce the commingled gas through a shared compressor. Produced liquids will not be surface commingled. In the future, additional wells, pools, and acreage may be added to this surface commingle or this gathering system. At such time, as an owner in this system, you will not be noticed as this commingle is expanded unless this method of allocating production between pools and wells changes.

If you need additional information or have any questions, I may be contacted at (505) 324-1090. If you have an objection to our application you must file a protest in writing to the NMOCD Santa Fe office at 1220 So. St. Francis Drive, Santa Fe, NM 87505 within 20 days from the date the NMOCD received the application.

Sincerely,

Holly C. Rerkins

Regulatory Compliance Tech

xc: Well Files

FW Land Dept. NMOCD, Aztec MMS - Notify BLM

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San Juan 1984 Partnership Smokey Oil Company P.O. Box 2360 Casper, WY 82602-2360

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Wynn-Crosby 1999, Ltd A Texas Limited Partnership P.O. Box 54090 Los Angeles, CA 90054-0090

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Ravelle B. Taylor 1908 Rolling Dunes Court Las Vegas, NV 89117

Robert Taylor 5180 N. Lariat Dr. Castle Rock, CO 80104 Yager Family Living Trust Dated 7/20/98 5461 S.W. 87th Place Ocala, FL 34476

Belliston Family Trust 4326 E. Desert Marigold Dr. Cave Creek, AZ 85331

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Stuart R. Taylor 33018 Terrace Drive Temecula, CA 92592-1457

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Ila R. Taylor-Gruver 1914 N. Acacia Mesa, AZ 85213

Bradley Con Taylor 3610 W Plymouth Rock Cv Lehi, UT 84043

Stephen Bow 10546 Linden Road Nampa, ID 83687-8054 Daniel Bow 10502 Linden Road Nampa, ID 83687

Lynette Bow Murri 10236 Linden Street Nampa, ID 83687

Albright Living Trust Laura Z. Albright, Trustee 5205 Rexton Lane Dallas, TX 75214-2252

Ruth Demeree 15 Terrace Hill Road Bainbridge, NY 13733

Gordon L. Gottstein 9433 N.E. 14th Bellevue, WA 98004

Mariam Washburn Trust C/O Wells Fargo Bank Trustee P.O. Box 5383 Denver, CO 80217

Barbara E. Koons Truste Barbara E. Koons, Trustee 1514 Las Lomas NE Albuquerque, NM 87106

Mansfield Family 2001 Revocable Trust, Benjamin & Nancy Mansfield, Trustees 2615 Everett Drive Reno, NV 89503

Jane Barbara Baer Trust
Wells Fargo Bank (Colorado) NA
Trust Natural Resources #4931-211
P. O. Box 5383 C7300-07
Denver, CO 80217-5825

Dated 11/11/92 12230 Sagamore Road Leawood, KS 66209-1269

Ronald S. Davis M.D. 700 Olympic Plaza Circle Suite 40 Tyler, TX 75701

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