

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.FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 20005. Lease Serial No.
NMNM14922

6. If Indian, Allottee or Tribe Name

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

30-037-26198 + 30-037-26909

8. Well Name and No.
Multiple--See Attached9. API Well No.
Multiple--See Attached10. Field and Pool, or Exploratory
BLANCO MESAVERDE11. County or Parish, and State
RIO ARRIBA COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO ENERGY INC

Contact: HOLLY PERKINS

E-Mail: Regulatory@xtoenergy.com

3a. Address

2700 FARMINGTON AVE., BLDG K, SUITE 1
FARMINGTON, NM 87401

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)

Multiple--See Attached

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

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <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 | Surface 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 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 site is ready for final inspection.)

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



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

Electronic Submission #22315 verified by the BLM Well Information System
For XTO ENERGY INC, sent to the Farmington
Committed to AFMSS for processing by Jim Lovato on 06/16/2003 (03JXL0086SE)

Name (Printed/Typed) DARRIN STEED

Title REGULATORY SUPERVISOR

Signature (Electronic Submission)

Date 05/27/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USEApproved By /s/ Jim Lovato

Title

JUN 23 2003
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

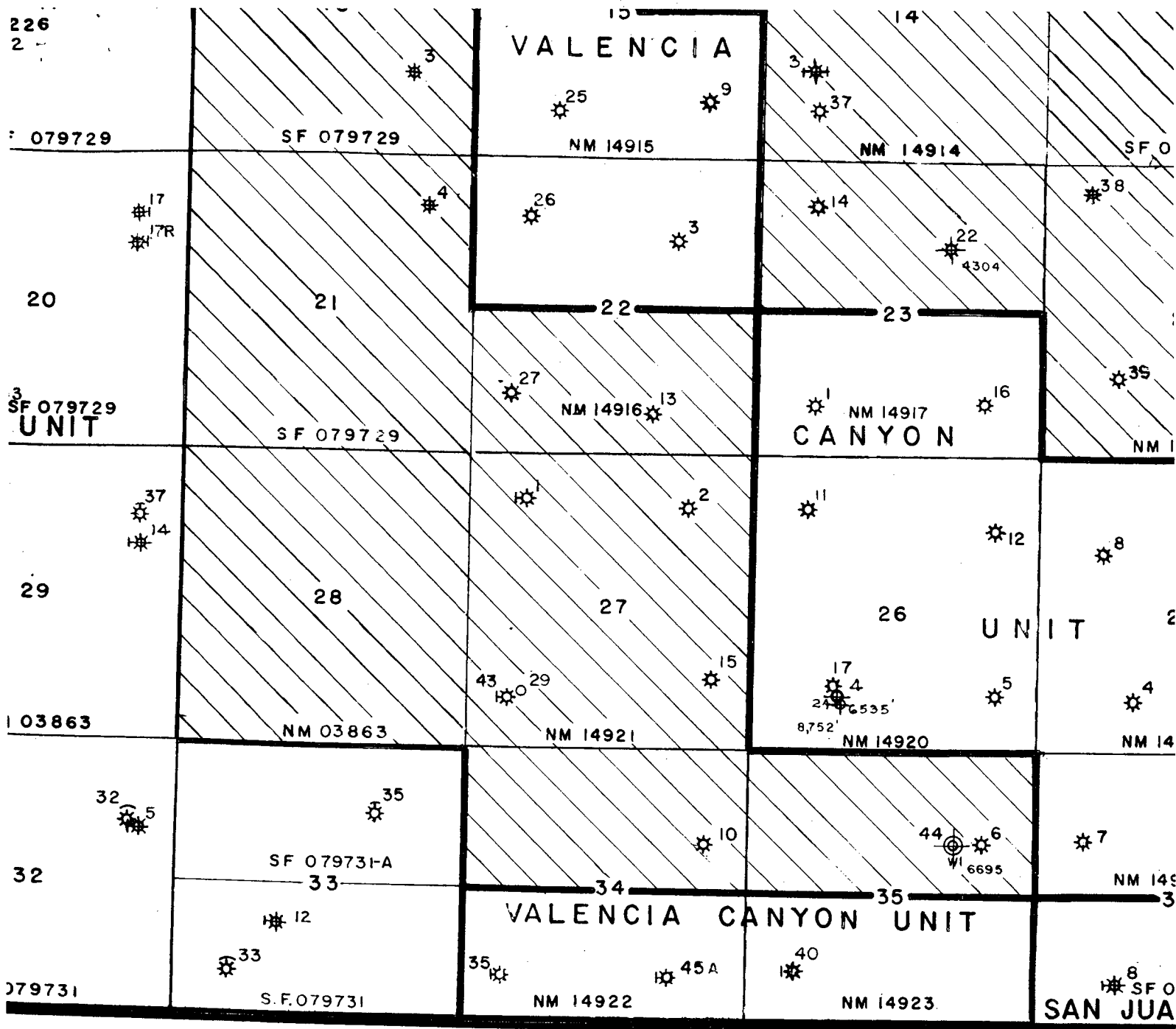
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ******NMOC**

Additional data for EC transaction #22315 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM14922	NMNM14922	CARSON FEDERAL I 1A	30-039-26198-00-S1	Sec 34 T28N R4W SWNW 1635FNL 675FWL
NMNM14922	NMNM14922	CARSON FEDERAL I 1B	30-039-26909-00-X1	Sec 34 T28N R4W SWNW 1475FNL 545FWL



R. 4 W.

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ALBUQUERQUE DISTRICT

MAP OF PORTION OF RIO ARRIBA COUNTY

DRAWN BY F.C.BIGELOW

ROSWELL, NEW MEXICO

JUNE 1953
MAP NO. ROSWELL 62

Rev. 4-1986 E.F.M.
Rev. 9-1985 E.F.M.
Rev. 4-1985 E.F.M.
Rev. 9-1984 E.F.M.
Rev. 4-1984 E.F.M.
Revised 11-82 See

Rev. 1-1990 A.Y.
Rev. 6-1989 A.Y.
Rev. 1-1989 A.Y.
Rev. 4-1988 A.Y.
Rev. 10-1987 A.Y.
Rev. 4-1987 A.Y.
Rev. 10-1986 A.Y.



May 1, 2003

Mr. William Jones
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Administrative Approval to Surface Commingle
Carson Federal I #1A & Carson Federal I #1B
Unit Letter "E", Section 34, Township 28-N, Range 4-W
Rio Arriba County, New Mexico

Dear Mr. Jones:

XTO Energy Inc. requests administrative approval to surface commingle the Carson Federal I #1A and the Carson Federal I #1B, a new drill. The Carson Federal I #1B will be a new Mesaverde well.

Both wells are located on the same Federal Lease #NMNM-14921. Since all working, revenue and royalty interest ownership are common, interest owner notification was not required. The Bureau of Land Management has requested that production facilities be consolidated whenever possible, to minimize land disturbance.

The following are enclosed for your review of the proposed surface commingling:

- 1) Well information table
- 2) Proposed testing schedule and procedure for allocation purposes.
- 3) Proposed production facilities diagram.
- 4) Well location map.
- 5) Working, revenue & royalty interest ownership records

If additional information is required, please contact me at (505)324-1090.

Sincerely,

A handwritten signature in black ink, appearing to read 'Trenis Sondresen', written over a horizontal line.

Trenis Sondresen
Operations Engineer

Enclosure

cc: GLM
Wellfile

**Carson Federal I #1A & Carson Federal I #1B
Surface Commingle**

Well Information		
	Carson Federal I #1A	Carson Federal I #1B
Location	Sec. 34E, T-28-N, R-4-W	Sec. 34E, T-28-N, R-4-W
Formation	Mesaverde	Mesaverde
API #	30-039-26198	30-039-26909
Pool Name	Blanco Mesaverde	Blanco Mesaverde
Pool Code	72319	72319
Gas Gravity	.702	Est. 0.65
Gas Rate (MCFD)	132	Est. 400
Oil Gravity	50	Est. 50
Oil Rate (BOD)	0.1	Est. 1.0
Water Rate (BWD)	1	Est. 1.0
WI	100%	100%
NRI	87.5%	87.5%

Production volumes are averaged over the last year.

Proposed Testing Procedure & Schedule:

The Carson Federal I #1B will have all oil, water and gas surface commingled at the Carson Federal I #1A production facilities. Since the Carson Federal I #1B is a new well and prone to production rate variances, it will be shut-in while testing the Carson Federal I #1A. The Carson Federal I #1A was drilled and completed in 1999 as a Mesaverde well. Due to its age, the Carson Federal I #1A is expected to maintain a stable production rate over the proposed six month allocation period.

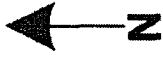
A stabilized well test will be conducted every six months.

The Carson Federal I #1B will be shut-in while a stabilized production rate is established for the Carson Federal I #1A. All oil and water production will be measured daily to obtain average volumes for allocation. This daily average volume will be allocated to the Carson Federal I #1A for a six month period following each test. Once testing is completed the production from the Carson Federal I #1B will be determined by the following equation:

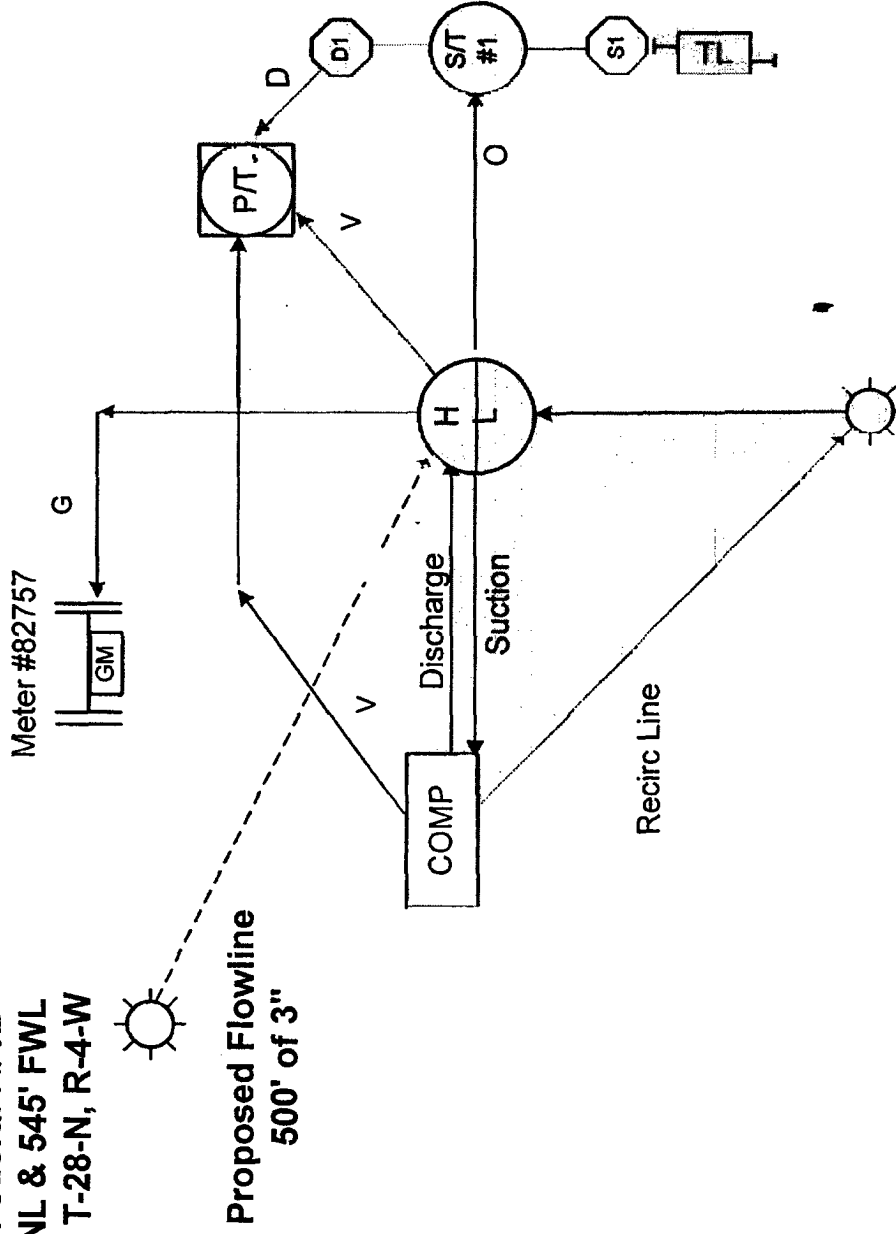
Gas Production = Volume @ meter #82757 + Fuel usage – Carson Federal I #1A allocation.

Oil & Water Production = Total Volume for each product – Carson Federal I #1A allocation.

XTO Energy Inc.
Proposed Surface Commingling Facilities Diagram
Location: NW/4 SEC. 34, T-28-N, R-4-W
NMNM-14922



Carson Federal I #1B
1,475' FNL & 545' FWL
Sec 34E, T-28-N, R-4-W



Carson Federal I #1A
1,635' FNL & 675' FWL
Sec 34E, T-28-N, R-4-W



May 19, 2003

New Mexico Oil Conservation Division
1220 S. Saint Francis Dr.
Santa Fe, New Mexico 87504
Attention: Mr. William Jones


RE: Surface Commingle
Carson Federal I #1A and
Carson Federal I #1B Well
N/2 Section 34-28N-4W
Rio Arriba County, New Mexico

Gentlemen:

I am a Certified Professional Landman and I have reviewed the ownership concerning the working interest, royalty interest and overriding royalty interest in the above captioned wells. All of the working interest, royalty and overriding royalty interest owners are identical in both the existing well and the proposed drill well.

Should you have any questions, please feel free to contact me at (817) 885-2454.

Sincerely,
XTO ENERGY INC.


George A. Cox, CPL
Landman

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 CHECKLIST

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]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM

Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners
☐ Offset Operators, Leaseholders or Surface Owner
☐ Application is One Which Requires Published Legal Notice
☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
☐ 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:

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative 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.

Darrin Steed
 Print or Type Name

Darrin Steed
 Signature

Regulatory Supervisor
 Title

5/27/03
 Date

Darrin_Steed@XTOEnergy.com
 e-mail Address