

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau 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

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401505-324-1090

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

1750' FNL & 2015' FWL, SENW, Sec 11, T30N, R12W

3b. Phone No. (include area code)

5. Lease Serial No.

NMSF081239

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHRISMAN GAS COM #3

9. API Well No.

30-045-31623

10. Field and Pool, or Exploratory Area

BASIN DAKOTA
BLANCO MESAVERDE

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

- ☒ 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 <u>DOWNHOLE</u> |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>COMMINGLE</u> |
| <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 approximated 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. proposes to downhole commingle this well per the attached documents.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

DHC 1318A2

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

DARRIN STEED

Title

REGULATORY SUPERVISOR

Date 10/14/03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Jim Lovato

Title

Office

Date OCT 31 2003

OCT 31 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.

Title 18 U.S.C. Section 1001, 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.

(Instructions on reverse)

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised May 08, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-31623
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMSF081239
7. Lease Name or Unit Agreement Name CHRISMAN GAS COM
8. Well Number #3
9. OGRID Number 167067
10. Pool name or Wildcat BLANCO MV / BASIN DK

Unit Letter F : 1750 feet from the NORTH line and 2015 feet from the WEST line

Section 11 Township 30N Range 12W NMPM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5911' 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 ☐ Gas Well ☒ Other

2. Name of Operator
XTO Energy Inc.

3. Address of Operator
2700 Farmington Ave., Bldg K, Suite 1, Farmington, NM 87401

4. Well Location
Unit Letter F : 1750 feet from the NORTH line and 2015 feet from the WEST line
Section 11 Township 30N Range 12W NMPM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5911' GR

12. 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: ☐

13. 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 (DHC) production from the Blanco Mesaverde (72319) and the Basin Dakota (71599) pools. Division Order R-11363 established these pools as pre-approved pool combinations for DHC in the San Juan Basin. This well is a new drill well which we want to DHC on initial completion. The DK perms are est fr/6600' - 7000'. The MV perms are est fr/3700' - 4700'. See the attached sheet for the production allocation method. DHC will not reduce the value of the total remaining prod. We expect DHC to increase recovery due to a lower economic prod limit for each pool resulting from the combined prod. Ownership is not identical in the proration units for both pools. All interest owners have been notified in writing of our plans. Notification letters were sent by certified mail, return receipt requested, on September 17, 2003. It has been more than twenty days since the notices were mailed and XTO Energy Inc. has not received any objections to the application to DHC. The well is located on a Federal Lease (SF-081139). This application was also filed with the BLM Farmington Field Office for approval. There is no State Lands ownership in this well.

Proposed Allocation Percentages

Pool	Oil	Water	Gas
Basin Dakota	42.9%	97.1%	34.3%
Blanco Mesaverde	57.1%	2.9%	65.7%
Total	100%	100%	100%

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

SIGNATURE Darrin Steed TITLE REGULATORY SUPERVISOR DATE 10/14/03
Type or print name Darrin Steed Telephone No. (505) 324-1090
(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____
Conditions of approval, if any:

Attachment
C-103 NOI Sundry to DHC
Chrisman Gas Com #3
Sec 11F, T30N, R12W
API #30-045-31625

The proposed gas, oil and water production allocation percentages are based on individual pool production from an offset well. This well is the Little Sinker #1M located in Unit Letter A, Section 11, T30N, R12W approximately 2,600' east of the Chrisman Gas Com #3. XTO Energy Inc. finished drilling the Little Stinker #1M in November 2001. It was initially completed in the Basin Dakota pool in January 2002. It produced from the Dakota pool from January 20002 to March 2002 at which time it was recomplected to the Blanco Mesaverde pool. It produced from the Mesaverde pool from March 2002 until July 2002 at which time the Dakota and Mesaverde were downhole commingled. The gas production rates from the Little Sinker #1M used in the calculation of the proposed allocation percentages are the 7 day average rates from each pool 4 weeks after first delivery of gas sales in that pool. The oil and water rates used are stabilized average rates at approximately the same time. These are the same rates and production allocation percentages approved for the Little Stinker #1M DHC application. See the allocation table below.

Proposed Allocation Percentages:

Pool	Oil	Water	Gas
Basin Dakota	42.9%	97.1%	34.3%
Blanco Mesaverde	57.1%	2.9%	65.7%
Total	100%	100%	100%

7 day average production rates used in calculation of the allocation percentages:

Pool	BOPD	BWPD	MCFD
Basin Dakota	1.5	33.0	236
Blanco Mesaverde	2.0	1.0	453
Total	3.5	34.0	689