Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB 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.

5. Lease Serial No.
NMNM03380

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Multiple--See Attached

2. Name of Operator
XTO ENERGY INC.

Contact: HOLLY PERKINS
E-Mail: Holly_Perkins@xtoenergy.com

9. API Well No.
Multiple--See Attached

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

10. Field and Pool, or Exploratory
MV&DK / PC / MV&DK

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Multiple--See Attached

11. County or Parish, and State
SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Subsurface Commi
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	ng
	☐ Convert to Injection	☐ Plug Back	☐ 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.)

XTO Energy Inc. requests an amendment to Surface Commingle PC-1054 to include the Florance #64F, per attached documents.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #13373 verified by the BLM Well Information System For XTO ENERGY INC., sent to the Farmington

Name *(Printed/Typed)* DARRIN STEED — Title OPERATIONS ENGINEER

Signature (Electronic Submission) — Date 08/15/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date AUG 22

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.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

NMOCD

Additional data for EC transaction #13373 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
	NMNM03380	FLORANCE D LS 15	30-045-06450	Sec 17 T27N R08W SESE 1085FSL 1135FEL
	NMNM03380	FLORANCE 64	30-045-11872	Sec 17 T27N R08W SWSE 970FSL 2370FEL
	NMNM03380	FLORANCE 64F	30-045-06450	Sec 17 T27N R08W SESE 1220FSL 910FEL

XTO ENERGY

August 2, 2002

Mr. David Catanach
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RE: Administrative Approval to Ammend Surface Commingle Order PC-1054
Florance #64, #64F & Florance D LS #15
Sec 17, T-27-N R-8-W
San Juan County, New Mexico

Dear Mr. Catanach,

XTO Energy, Inc. (XTO) requests an amendment to include the Florance #64F. All production from this well will be commingled at the Florance #64 battery.

All three wells are located on the same Federal Lease NMNM – 03380. Since all working, revenue and royalty interest owners are common interest owner notification was not necessary. The Bureau of Land Management (BLM) has requested that central tank batteries be utilized to minimize land disturbance whenever possible. Production allocation testing is described on the attached document.

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

1. Well information table.
2. Gas production allocation formula sheet.
3. Battery schematic of proposed installation.
4. Well location plat.

If you need additional information or have any questions, please give me a call at (505) 324-1090.

Sincerely,
XTO ENERGY, INC

Darrin Steed

Darrin L. Steed
Operations Engineer

Enclosures

Cc: GLM
DLS
Well File

C:\Work\Surface Commingles\Florance #64, #64F & D LS #15.doc

Florance #64, #64F & Florance D LS #15

Proposed Testing Procedure and Schedule

The Florance D LS #15 produces no water or oil. Gas production is measured at the allocation meter #22108 prior to compression.

The Florance #64F will have all oil, water and gas commingled at the Florance #64 separator. Allocation of oil, water and gas between these two wells will be determined on a semiannual basis. Since the Florance #64F is a new well and more prone to production rate variance it will be shut in during testing. The Florance #64 was completed in 1966 and will maintain a stable production rate over the six month allocation period.

The Florance #64F will be shut in until a stabilized flow rate is obtained from the Florance #64. All oil and water production will be measured daily to obtain average volumes for allocation. Production from the Florance #64 will be determined by the following equation:

Gas Production = Volume @ meter #75567 -- Volume @ meter #22108 + Fuel Usage.

This daily average volume will be allocated to this well for the six month period following each test. Fuel usage will be allocated based wells production. Once testing is completed the production from the Florance #64F will be determined by the following equation:

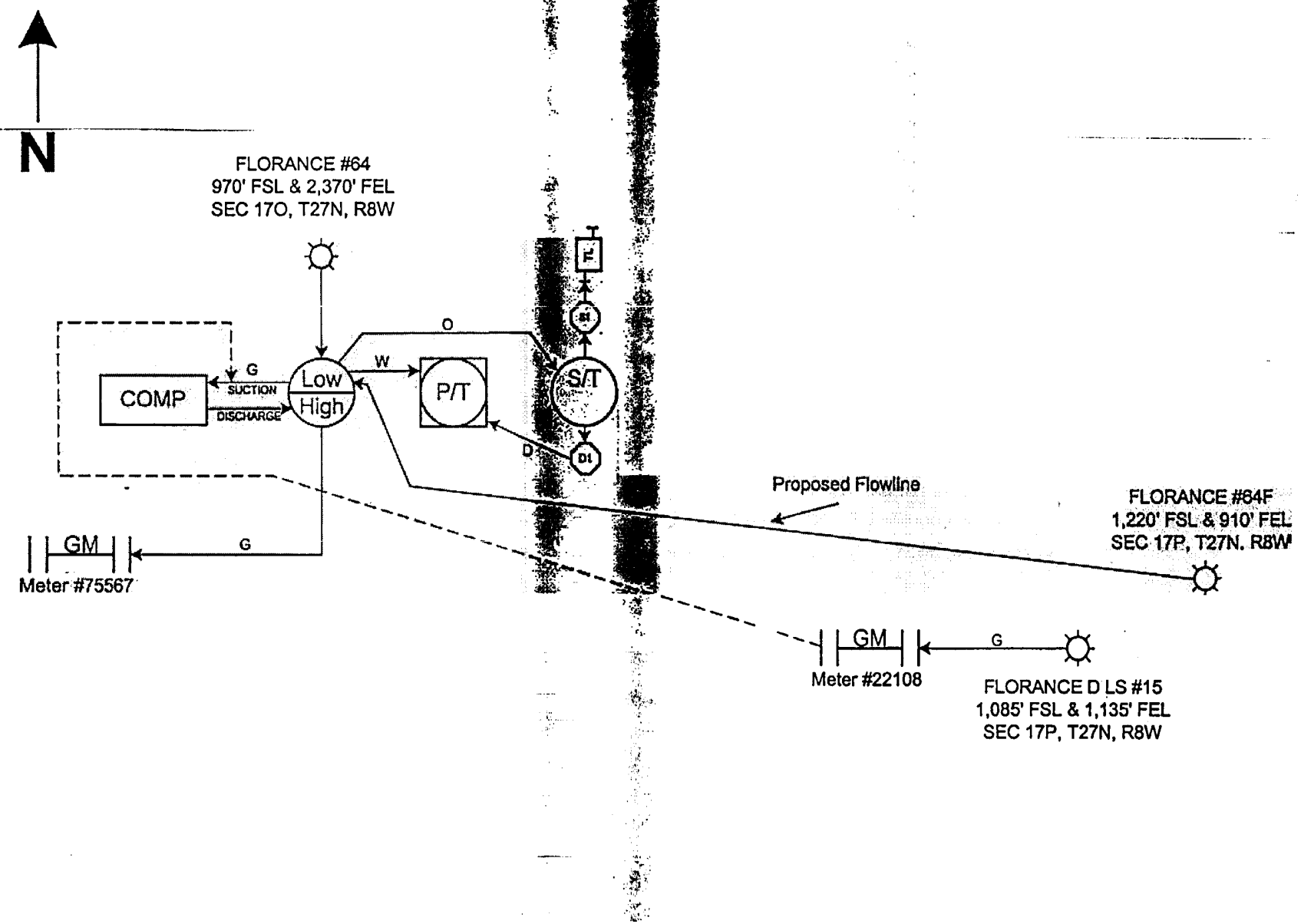
Gas Production = Volume @ meter #75567 – Volume @ meter #22108 + Fuel Usage – Florance #64 allocation.

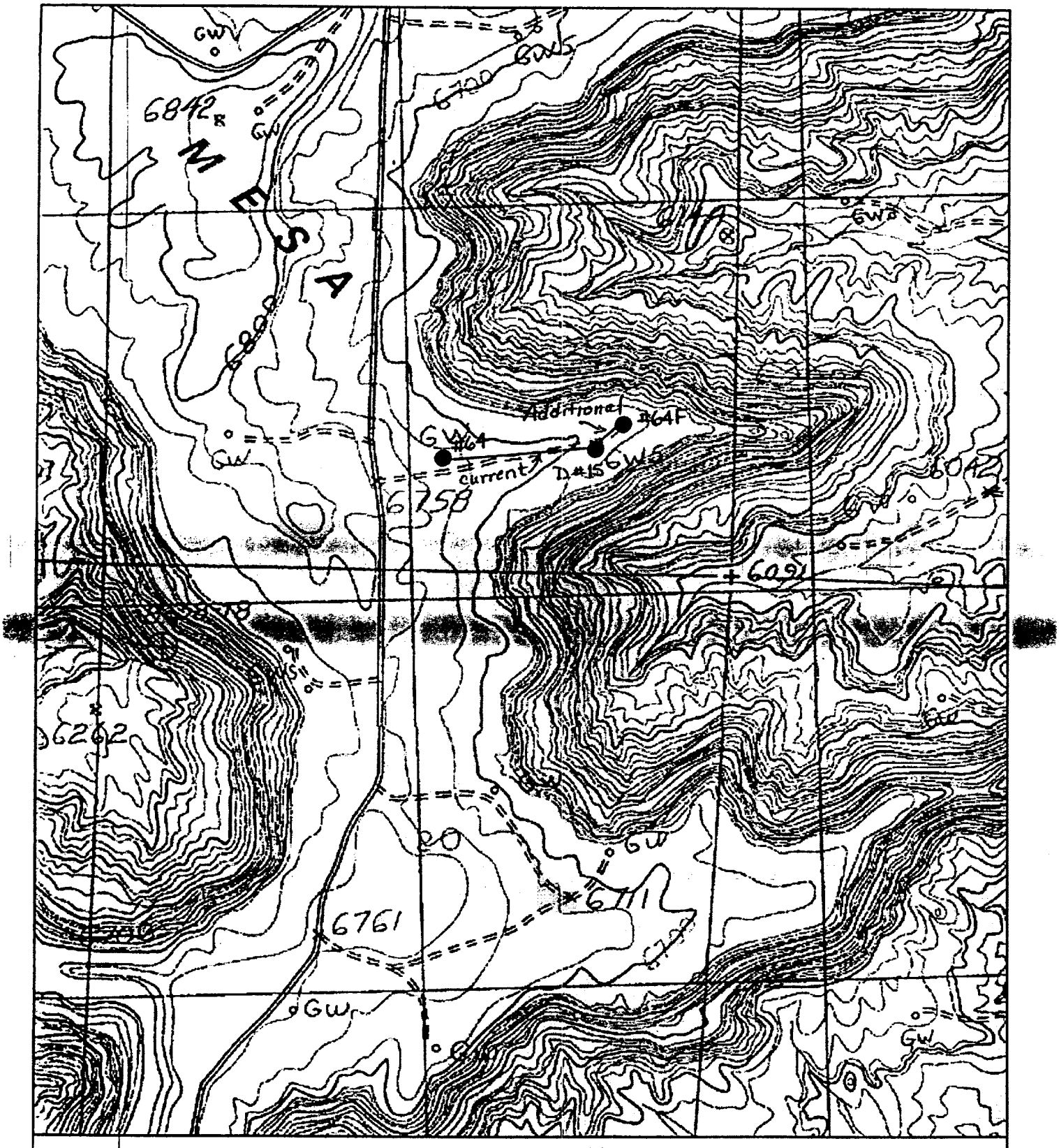
Oil and Water Production = Total volume for each product – Florance #64 allocation.

Well Information

	Florance #64	Florance #64F	Florance D LS #15
Location	Sec 17O, T27N R8W	Sec 17P, T27N R8W	Sec 17P, T27N R8W
Formation	Mesaverde/Dakota	Mesaverde/Dakota	Pictured Cliffs
API #	30-045-11872	30-045-31126	30-045-06450
Pool Name	Blanco/Basin	Blanco/Basin	South Blanco
Pool Code	72319/71599	72319/71599	72439
Gas Gravity	.83	Est .83	.659
Gas Rate (MCFD)	140	Est 500	17
Oil Gravity	62	Est 62	NA
Oil Rate (BPD)	0.3	Est 0.5	0
Water Rate (BPD)	0.1	Est 0.5	0

XTO ENERGY, INC
PROPOSED COMMINGLING SCHEMATIC
FLORANCE #64, #64F & FLORANCE D LS #15
SE/4 SEC. 17, T27N, R08W
Fed Lease #: NMNM - 03380





Name: FRESNO CANYON
Date: 8/2/102
Scale: 1 inch equals 1000 feet

Location: 036° 34' 01.7" N 107° 42' 04.1" W
Caption: XTO Energy Inc
Surface Commingling
Florance #64, #64F, D #15

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