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United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Wyoming State Office Reservoir Management Group
2987 Prospector Drive
Casper, Wyoming 82604-2968

In Reply Refer To:
3186
(3186.1)
Big Eddy Unit
NMNM068294X

APR 04 2019

XTO Energy, Inc.
Attn: W. Greg Davis
EMHC.W4.4A.541
22777 Springwoods Village Pkwy
Spring, TX 77389-1425

Re: Paying Well Determination
Big Eddy Unit
Eddy County, New Mexico

Gentlemen:

We have determined that the Big Eddy Unit No. DI5 24H well is capable of producing unitized substances from the Bone Spring Formation in paying quantities as defined in Section 9 of the unit agreement. This well was completed in the Bone Spring Formation on September 17, 2017.

Consequently, an application for an initial Bone Spring Formation Participating Area "A" shall be filed with the Reservoir Management Group pursuant to Section 11 of the unit agreement by April 19, 2019. The effective date for this PA will be September 17, 2017.

If you have any questions, please call Lewis Tromp, Petroleum Engineer, at (307) 261-7628.

Sincerely,

/S/ J. David Chase

J. David Chase
Chief, Reservoir Management Group

cc: NMSO, James Glover
CFO, Chris Walls
ONRR, Glen Reese
New Mexico State Land Office, Randy Bayliss
New Mexico Oil Conservation Division, William Jones