

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.
NMNM0556857

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NASH 42 TB SEE BELOW

9. API Well No.

10. Field and Pool, or Exploratory
CHERRY CANYON NASH DRAW

11. County or Parish, and State
EDDY COUNTY, NM

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

2. Name of Operator
XTO ENERGY INC. Contact: PATTY R URIAS
E-Mail: patty_urias@xtoenergy.com

3a. Address
500 W. ILLINOIS SUITE 100
MIDLAND, TX 79701
3b. Phone No. (include area code)
Ph: 432-620-4318
Fx: 432-618-3530

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 13 T23S R29E Mer NMP 1980FNL 660FEL

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<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	Venting and/or Flaring
	<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.)

NASH 42 BATTERY

ASSOCIATED WELLS:

NASH UNIT #001 30-015-21277
NASH UNIT #005 30-015-21800
NASH UNIT #006 30-015-21803
NASH UNIT #010 30-015-26992
NASH UNIT #011 30-015-27520
NASH UNIT #012 30-015-27602
NASH UNIT #013 30-015-27316
NASH UNIT #014 30-015-27510
NASH UNIT #015 30-015-28049

REJECTED

Request to flare must be submitted on an NOI. Actual volumes must be submitted on separate subsequent report. **NM OIL CONSERVATION**

Accepted for record

NMOCD AB 4/25/16

ARTESIA DISTRICT

APR 20 2016

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

Electronic Submission #335342 verified by the BLM Well Information System
For XTO ENERGY INC., sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 04/01/2016 ()

RECEIVED

Name (Printed/Typed) PATTY R URIAS

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 04/01/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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 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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #335342 that would not fit on the form

32. Additional remarks, continued

NASH UNIT #019 30-015-27590
NASH UNIT #020 30-015-27877
NASH UNIT #023 30-015-28272
NASH UNIT #024 30-015-28271
NASH UNIT #025 30-015-28818
NASH UNIT #033H 30-015-32476
NASH UNIT #034H 30-015-33991
NASH UNIT #036H 30-015-30176
NASH UNIT #038 30-015-29737
NASH UNIT #039H 30-015-36951
NASH UNIT #040H 30-015-37166
NASH UNIT #041H 30-015-37165
NASH UNIT #042H 30-015-37194
NASH UNIT #043H 30-015-42206
NASH UNIT #044H 30-015-42195
NASH UNIT #045H 30-015-42048
NASH UNIT #049H 30-015-38663
NASH UNIT #050H 30-015-38991
NASH UNIT #051H 30-015-38365
NASH UNIT #054Y 30-015-42311
NASH UNIT #056H 30-015-38992
NASH UNIT #057H 30-015-39303
NASH UNIT #058H 30-015-39304

The unexpected malfunction of a equipment maintained by 3RD PARTY GAS PURCHASER has caused emergency flaring from the NASH 42 TB of approximately 3500 mcf/day. The volumes flared as a result of this equipment malfunction and force majeure event constitute "unavoidably lost" production under NTL 4A Section II.C.(2) ("Unavoidably lost" production shall mean "(2) that oil or gas which is lost because of line failures, equipment malfunctions, blowouts, fires, or otherwise") and NTL 4A Section III.A. ("Lessees or operators are hereby authorized to vent or flare gas on a short term basis without incurring a royalty obligation in the following circumstances. During temporary emergency situations, such as compressor or other equipment failures"). Therefore, the flared volumes are not royalty bearing under NTL 4A.

GAS PURCHASER CONTINUES TO HAVE AN ISSUE WITH THEIR COMPRESSOR, CAUSING XTO TO FLARE INTERMITTENTLY. XTO CAN FLARE UP TO 3500 MCFD. PLEASE ACCEPT THIS AS NOTICE FOR APRIL - JUN 2016.

TOTAL FLARED: JAN=28 HRS 8081 MCF, FEB=13 HRS 1901 MCF, MAR=17 HRS 2549 MCF
