

**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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. STATE
2. Name of Operator XTO ENERGY INCORPORATED		6. If Indian, Allottee or Tribe Name
3a. Address 500 W ILLINOIS STREET SUITE 100 MIDLAND, TX 79701		7. If Unit or CA/Agreement, Name and/or No. 891014168B
3b. Phone No. (include area code) Ph: 432-620-4318 Fx: 432-618-3530		8. Well Name and No. NASH UNIT 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T23S R29E SENE 1980FNL 660FEL		9. API Well No. 30-015-21277-00-S3
		10. Field and Pool, or Exploratory CHERRY CANYON
		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Venting and/or Flaring

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.)

NASH 42 BATTERY

Lease Serial No., continued  
NMNM0556857  
NMNM0556859  
NMNM0556863  
STATE

7. If Unit or CA/Agreement, Name and No., continued  
891014168B  
891014168X  
Wells/Facilities, continued  
Agreement Lease Well/Fac Name, Number API Number Location

WRD 3/25/16  
Accepted for rec.  
NMOCD

NM OIL CONSERVATION  
ARTESIA DISTRICT

MAR 14 2016

RECEIVED

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

Electronic Submission #328750 verified by the BLM Well Information System  
For XTO ENERGY INCORPORATED, sent to the Carlsbad  
Committed to AFMSS for processing by PRISCILLA PEREZ on 02/01/2016 (16PP0361SE)

Name (Printed/Typed) PATTY R URIAS

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 01/18/2016

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

/S/ DAVID R. GLASS

Approved By MAR 04 2016

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds a valid right 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 \*\*

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

**Additional data for EC transaction #328750 that would not fit on the form**

**5. Lease Serial No., continued**

NMNM0556857  
NMNM0556859  
NMNM0556863  
STATE

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

891014168B  
891014168X

**Wells/Facilities, continued**

<b>Agreement</b>	<b>Lease</b>	<b>Well/Fac Name, Number</b>	<b>API Number</b>	<b>Location</b>
NMNM70992C	STATE	NASH UNIT 1	30-015-21277-00-S3	Sec 13 T23S R29E SENE 1980FNL 660FEL
NMNM70992C	STATE	NASH UNIT 14	30-015-27510-00-S1	Sec 13 T23S R29E NENE 660FNL 500FEL
NMNM70992C	NMNM0556857	NASH UNIT 20	30-015-27877-00-S1	Sec 18 T23S R30E NENW 1230FNL 1350FWL
NMNM70992C	NMNM0556859	NASH UNIT 38	30-015-29737-00-S1	Sec 13 T23S R29E SESW 330FSL 2450FWL
NMNM70992C	NMNM0556863	NASH UNIT 42H	30-015-37194-00-S1	Sec 18 T23S R30E SWNW 2015FNL 505FWL
NMNM70992C	STATE	NASH UNIT 6	30-015-21803-00-S2	Sec 18 T23S R30E SWNW 1980FNL 330FWL
NMNM70992X	NMNM0556863	NASH UNIT 49H	30-015-38663-00-S1	Sec 13 T23S R29E NENE 510FNL 500FEL

**32. Additional remarks, continued**

NMNM70992C STATE NASH UNIT 1 30-015-21277-00-S3 Sec 13 T23S R29E SENE 1980FNL 660FEL  
NMNM70992C STATE NASH UNIT 14 30-015-27510-00-S1 Sec 13 T23S R29E NENE 660FNL 500FEL  
NMNM70992C NMNM0556857 NASH UNIT 20 30-015-27877-00-S1 Sec 18 T23S R30E NENW 1230FNL 1350FWL  
NMNM70992C NMNM0556859 NASH UNIT 38 30-015-29737-00-S1 Sec 13 T23S R29E SESW 330FSL 2450FWL  
NMNM70992C NMNM0556863 NASH UNIT 42H 30-015-37194-00-S1 Sec 18 T23S R30E SWNW 2015FNL 505FWL  
NMNM70992C STATE NASH UNIT 6 30-015-21803-00-S2 Sec 18 T23S R30E SWNW 1980FNL 330FWL  
NMNM70992X NMNM0556863 NASH UNIT 49H 30-015-38663-00-S1 Sec 13 T23S R29E NENE 510FNL 500FEL

Enterprise having compressor problems, causing us to flare as of 1/11/15 approx. 1907avg mcfd.

**BUREAU OF LAND MANAGEMENT**  
**Carlsbad Field Office**  
**620 East Greene Street**  
**Carlsbad, New Mexico 88220**  
**575-234-5972**

**XTO Energy Incorporated**  
**Nash Unit 1 Et Al**  
**State Land Et Al**

Approved 03-04-2016

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes and volumes), and has determined the following Conditions of Approval apply.

### **Condition of Approval to Flare Gas**

1. Comply with NTL-4A requirements
2. Subject to like approval from NMOCD
3. **Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08"**
4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time.
5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
6. This approval does not authorize any additional surface disturbance.
7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
8. Approval not to exceed 90 days, (from 01-01-2016 to 03-31-2016), if flaring is still required past 90 days submit new request for approval.
9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

**Definition:** As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

**43CFR3162.7-1 (a)** The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

**43CFR3162.1 (a)** The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.