

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTNMOCD  
ArtesiaFORM 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.**

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

**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 recomple 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 recomple 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.)

CORRECTION TO SUNDEY 00852-12413, TRANSACTION 335342  
NASH 42 BATTERY**NM OIL CONSERVATION**  
ARTESIA DISTRICTASSOCIATED 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

APR 26 2016

Accepted for record  
NMOCD

RECEIVED

|  |                                 |
|--|---------------------------------|
| 14. I hereby certify that the foregoing is true and correct.<br><b>Electronic Submission #336463 verified by the BLM Well Information System<br/>For XTO ENERGY INCORPORATED, sent to the Carlsbad<br/>Committed to AFMSS for processing by JENNIFER SANCHEZ on 04/18/2016 (16JAS1438SE)</b> |                                 |
| Name (Printed/Typed) <b>PATTY R URIAS</b>  | Title <b>REGULATORY ANALYST</b> |
| Signature (Electronic Submission)  | Date <b>04/15/2016</b>          |
| <b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>  |                                 |
| <b>APR 18 2016</b>   |                                 |
| Approved By  | Title                           |
| 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.   |                                 |

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #336463 that would not fit on the form**

**32. Additional remarks, continued**

NASH UNIT #015 30-015-28049  
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

NONM70992X

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.

See your  
COAS from NO1

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 JAN-MAR 2016. (Correction 90 day time frame)

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