

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
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 page 2

RECEIVED

JUL 14 2011

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other2 Name of Operator  
XTO ENERGY INC.3a. Address  
382 CR 3100 AZTEC, NM 874103b Phone No. (include area code)  
505-333-36304 Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1945' FSL & 1945' FEL NWSE SEC. 14 (J) - T26N-R06W N.M.P.M.

5. Lease Serial No.

NNM 03554

6 If Indian, Allottee or Tribe Name

N/A

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

8. Well Name and No.

BREECH C #323F

9 API Well No

30-039-30661

10. Field and Pool, or Exploratory Area  
BASIN DK/BLANCO MV/BASIN MC

11. County or Parish, State

RIO ARriba NM

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

## TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

## TYPE OF ACTION

- |                                               |                                           |                                                    |                                                           |
|-----------------------------------------------|-------------------------------------------|----------------------------------------------------|-----------------------------------------------------------|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                   |
| <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                   |
| <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <u>DOWNHOLE</u> |
| <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | <u>COMMINGLE</u>                                          |
| <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 recompleate 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 recompleation 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 final site is ready for final inspection.)

XTO Energy Inc. requests approval to downhole commingle this well per NMOC Rule 19.15.12.11 C(2) in the Basin Dakota (71599), Blanco Mesaverde (72319) & Basin Mancos (97232) pools. XTO proposes to downhole commingle these pools upon completion. Please see the attached spreadsheets for justification of the following proposed allocations:

RCVD JUL 18 '11

|                  |          |          |            |
|------------------|----------|----------|------------|
| Basin Dakota     | Oil: 16% | Gas: 42% | Water: 75% |
| Blanco Mesaverde | Oil: 26% | Gas: 20% | Water: 8%  |
| Basin Mancos     | Oil: 58% | Gas: 38% | Water: 17% |

OIL CONS. DIV.  
DIST. 3

Pools are not in the NMOC pre-approved pool combinations for downhole commingle in the San Juan Basin and the NMOC was notified of our intent via Form C-107A on 7/13/2011. Ownership is common in all zones; therefore, there are no owners to notify of our intent to DHC. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

DNC 4434

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

WANETT MCCAULEY

Title REGULATORY COMPLIANCE TECHNICIAN

Signature

Date 7/13/2011

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title GCO

Date 7-14-11

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 FFB

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

NMOC

**Breech C 323F - Allocations (Using XTO Wells in 26N 6W and 27N 6W)**

*Modern Dakota Wells Drilled after 1990*

| LEASE NAME  | NO.        | RESERVOIR | SECTION | TOWNSHIP | RANGE | FIELD | OPERATOR   | 1st PROD | LAST PROD | DAYS ON | CUMUL     | CUMUL     | CUMUL       | EUR       | EUR        | AVERAGE       |
|-------------|------------|-----------|---------|----------|-------|-------|------------|----------|-----------|---------|-----------|-----------|-------------|-----------|------------|---------------|
|             |            |           |         |          |       |       |            |          |           |         | OIL (BBL) | GAS (MCF) | WATER (BBL) | OIL (MBO) | GAS (MMCF) | WATER (BBL/D) |
| BREECH F    | 8M (NPI)   | DAKOTA    | 34      | 27 N     | 6 W   | BASIN | XTO ENERGY | 19980531 | 20101201  | 4378    | 2562      | 440750    | 797         | 3 05      | 595 04     | 0 18          |
| STATE B COM | 233R (NPI) | DAKOTA    | 16      | 26 N     | 6 W   | BASIN | XTO ENERGY | 19940731 | 20101201  | 5296    | 2570      | 780973    | 1020        | 3 24      | 1034 18    | 0 19          |
| BREECH F    | 1F (NPI)   | DAKOTA    | 33      | 27 N     | 6 W   | BASIN | XTO ENERGY | 19990228 | 20101201  | 4116    | 1628      | 663885    | 2088        | 2 23      | 1059 07    | 0 51          |
| BREECH A    | 132R (NPI) | DAKOTA    | 9       | 26 N     | 6 W   | BASIN | XTO ENERGY | 20010531 | 20101201  | 3087    | 1454      | 1128535   | 48449       | 2 14      | 2663 71    | 15 69         |
| BREECH A    | 136F (NPI) | DAKOTA    | 10      | 26 N     | 6 W   | BASIN | XTO ENERGY | 20010531 | 20101201  | 3445    | 2698      | 853163    | 33820       | 4 08      | 1913 61    | 9 82          |
| BREECH C    | 144E (NPI) | DAKOTA    | 12      | 26 N     | 6 W   | BASIN | XTO ENERGY | 19901231 | 20101201  | 5998    | 849       | 489660    | 652         | 0 97      | 648 45     | 0 11          |
| BREECH B    | 147 (NPI)  | DAKOTA    | 7       | 26 N     | 6 W   | BASIN | XTO ENERGY | 20030831 | 20101201  | 1281    | 1276      | 174534    | 910         | 6 07      | 799 67     | 0 71          |
| BREECH C    | 303 (NPI)  | DAKOTA    | 13      | 26 N     | 6 W   | BASIN | XTO ENERGY | 20040930 | 20101201  | 2200    | 1108      | 345665    | 723         | 3 42      | 954 24     | 0 33          |
| BREECH E    | 850 (NPI)  | DAKOTA    | 5       | 26 N     | 6 W   | BASIN | XTO ENERGY | 20040930 | 20101201  | 2139    | 1071      | 267866    | 624         | 2 17      | 503 42     | 0 29          |
| BREECH E    | 65 (NPI)   | DAKOTA    | 5       | 26 N     | 6 W   | BASIN | XTO ENERGY | 20060331 | 20101201  | 1709    | 227       | 183675    | 884         | 0 41      | 405 40     | 0 52          |
| BREECH E    | 79 (NPI)   | DAKOTA    | 1       | 26 N     | 6 W   | BASIN | XTO ENERGY | 20060131 | 20101201  | 1601    | 169       | 68581     | 435         | 0 17      | 177 89     | 0 27          |
| BREECH C    | 392 (NPI)  | DAKOTA    | 13      | 26 N     | 6 W   | BASIN | XTO ENERGY | 20060228 | 20101201  | 1761    | 4304      | 609403    | 1582        | 8 78      | 1632 76    | 0 90          |
| BREECH C    | 828 (NPI)  | DAKOTA    | 13      | 26 N     | 6 W   | BASIN | XTO ENERGY | 20060228 | 20101201  | 1786    | 1149      | 218741    | 742         | 3 26      | 643 87     | 0 42          |
| BREECH A    | 158 (NPI)  | DAKOTA    | 10      | 26 N     | 6 W   | BASIN | XTO ENERGY | 20070531 | 20101201  | 1308    | 176       | 154887    | 593         | 0 18      | 649 91     | 0 45          |
| BREECH F    | 16 (NPI)   | DAKOTA    | 33      | 27 N     | 6 W   | BASIN | XTO ENERGY | 20070630 | 20101201  | 1036    | 438       | 133802    | 373         | 0 44      | 743 06     | 0 36          |
| BREECH F    | 2 (NPI)    | DAKOTA    | 33      | 27 N     | 6 W   | BASIN | XTO ENERGY | 20070531 | 20100801  | 1167    | 1315      | 200477    | 955         | 4 00      | 872 14     | 0 82          |
| STATE A     | 77 (NPI)   | DAKOTA    | 2       | 26 N     | 6 W   | BASIN | XTO ENERGY | 20071130 | 20101201  | 1101    | 374       | 206370    | 791         | 1 27      | 851 74     | 0 72          |
| BREECH      | 228M (NPI) | DAKOTA    | 18      | 26 N     | 6 W   | BASIN | XTO ENERGY | 19991231 | 20101201  | 3855    | 1691      | 479453    | 1032        | 2 70      | 891 54     | 0 27          |
| BREECH      | 812M (NPI) | DAKOTA    | 18      | 26 N     | 6 W   | BASIN | XTO ENERGY | 19991231 | 20101201  | 3930    | 1480      | 480166    | 780         | 2 31      | 906 44     | 0 20          |
| Average     |            |           |         |          |       |       |            |          |           |         |           |           |             | 2 68      | 944 53     | 1 72          |

*Modern Mesaverde Wells Drilled after 1990*

| LEASE NAME | NO.        | RESERVOIR | SECTION | TOWNSHIP | RANGE | FIELD  | OPERATOR   | 1st PROD | LAST PROD | DAYS ON | CUMUL     | CUMUL     | CUMUL       | EUR       | EUR        | AVERAGE       |
|------------|------------|-----------|---------|----------|-------|--------|------------|----------|-----------|---------|-----------|-----------|-------------|-----------|------------|---------------|
|            |            |           |         |          |       |        |            |          |           |         | OIL (BBL) | GAS (MCF) | WATER (BBL) | OIL (MBO) | GAS (MMCF) | WATER (BBL/D) |
| BREECH     | 812M (NPI) | MESAVERDE | 18      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 19991231 | 20101201  | 3928    | 4684      | 261521    | 1210        | 7 10      | 479 72     | 0 31          |
| BREECH     | 228M (NPI) | MESAVERDE | 18      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 19991231 | 20101201  | 3857    | 3588      | 250402    | 1261        | 5 59      | 450 24     | 0 33          |
| BREECH E   | 850 (NPI)  | MESAVERDE | 5       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20060630 | 20101201  | 1574    | 681       | 73056     | 60          | 2 25      | 166 20     | 0 04          |
| BREECH F   | 8M (NPI)   | MESAVERDE | 34      | 27 N     | 6 W   | BLANCO | XTO ENERGY | 19980531 | 20101201  | 4378    | 781       | 125566    | 512         | 0 91      | 157 81     | 0 12          |
| BREECH E   | 118E (NPI) | MESAVERDE | 1       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 19961031 | 20101201  | 5048    | 2606      | 540226    | 656         | 4 95      | 1111 10    | 0 13          |
| BREECH C   | 144E (NPI) | MESAVERDE | 12      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 19971231 | 20101201  | 4462    | 1890      | 246010    | 860         | 2 77      | 398 08     | 0 19          |
| BREECH C   | 144 (NPI)  | MESAVERDE | 12      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 19981231 | 20101201  | 4313    | 3851      | 197881    | 925         | 6 73      | 336 72     | 0 21          |
| Average    |            |           |         |          |       |        |            |          |           |         |           |           |             | 4 33      | 442 64     | 0 49          |

Modern Mancos Wells Drilled after 1990

| LEASE NAME  | NO.        | RESERVOIR | SECTION | TOWNSHIP | RANGE | FIELD  | OPERATOR   | 1st PROD | LAST PROD | DAYS ON | CUMUL OIL (BBL) | CUMUL GAS (MCF) | CUMUL WATER (BBL) | EUR OIL (MBO) | EUR GAS (MMCF) | AVERAGE WATER (BBL/D) |
|-------------|------------|-----------|---------|----------|-------|--------|------------|----------|-----------|---------|-----------------|-----------------|-------------------|---------------|----------------|-----------------------|
| BREECH F    | 1F (NPI)   | MANCOS    | 33      | 27 N     | 6 W   | BLANCO | XTO ENERGY | 19990228 | 20101201  | 4136    | 10610           | 558552          | 16160             | 13 657        | 911 895        | 3 91                  |
| STATE B COM | 233R (NPI) | MANCOS    | 16      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 19940731 | 20101201  | 5266    | 6644            | 1004217         | 98                | 8 849         | 1406 868       | 0 02                  |
| STATE COM   | 113 (NPI)  | MANCOS    | 2       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 19971130 | 20101201  | 3985    | 12844           | 275036          | 363               | 15 136        | 493 912        | 0 09                  |
| BREECH A    | 136 (NPI)  | MANCOS    | 10      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 19980331 | 20101201  | 4339    | 11417           | 133010          | 269               | 12 144        | 250 247        | 0 06                  |
| BREECH C    | 144E (NPI) | MANCOS    | 12      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 19901130 | 20101201  | 6270    | 1118            | 190895          | 42                | 1 118         | 228 704        | 0 01                  |
| BREECH E    | 79 (NPI)   | MANCOS    | 1       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20061130 | 20101201  | 1377    | 141             | 37084           | 41                | 0 141         | 159 726        | 0 03                  |
| BREECH D    | 240E (NPI) | MANCOS    | 15      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20050930 | 20101201  | 1859    | 2529            | 288675          | 75                | 6 969         | 910 33         | 0 04                  |
| BREECH E    | 65 (NPI)   | MANCOS    | 5       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20071031 | 20101201  | 1180    | 686             | 73005           | 74                | 2 116         | 311 944        | 0 06                  |
| STATE COM   | 113E (NPI) | MANCOS    | 2       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20060430 | 20101201  | 1573    | 236             | 80802           | 240               | 0 614         | 244            | 0 15                  |
| BREECH E    | 850 (NPI)  | MANCOS    | 5       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20051031 | 20101201  | 1762    | 687             | 96407           | 510               | 1 169         | 302 888        | 0 29                  |
| BREECH D    | 685E (NPI) | MANCOS    | 11      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20060131 | 20101201  | 1802    | 3794            | 276060          | 171               | 8 836         | 863 72         | 0 09                  |
| BREECH C    | 244E (NPI) | MANCOS    | 14      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20060228 | 20101201  | 1786    | 4089            | 317459          | 86                | 12 733        | 934 921        | 0 05                  |
| BREECH A    | 136F (NPI) | MANCOS    | 10      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20040731 | 20101201  | 2311    | 14249           | 1288401         | 2352              | 27 434        | 3476 366       | 1 02                  |
| BREECH B    | 147 (NPI)  | MANCOS    | 7       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20041031 | 20101201  | 2258    | 2460            | 280919          | 411               | 6 146         | 683 735        | 0 18                  |
| BREECH E    | 58M (NPI)  | MANCOS    | 3       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20030731 | 20101201  | 2653    | 5103            | 298295          | 86                | 8 357         | 937 712        | 0 03                  |
| BREECH D    | 140M (NPI) | MANCOS    | 11      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20051130 | 20101201  | 1872    | 6009            | 392203          | 376               | 10 474        | 1136 386       | 0 20                  |
| BREECH E    | 50E (NPI)  | MANCOS    | 5       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20040131 | 20101201  | 2322    | 5140            | 260727          | 127               | 10 275        | 740 29         | 0 05                  |
| STATE A     | 62M (NPI)  | MANCOS    | 2       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20021130 | 20101201  | 2656    | 3422            | 205832          | 216               | 11 985        | 654 375        | 0 08                  |
| BREECH C    | 689M (NPI) | MANCOS    | 12      | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20031130 | 20101201  | 2668    | 905             | 177330          | 112               | 1 22          | 269 058        | 0 04                  |
| BREECH F    | 8M (NPI)   | MANCOS    | 34      | 27 N     | 6 W   | BLANCO | XTO ENERGY | 20021231 | 20101201  | 2810    | 2484            | 220946          | 120               | 4 494         | 491 283        | 0 04                  |
| BREECH A    | 132R (NPI) | MANCOS    | 9       | 26 N     | 6 W   | BLANCO | XTO ENERGY | 20040930 | 20101201  | 2246    | 20885           | 727681          | 4069              | 41 484        | 2138 046       | 1 81                  |
|             |            |           |         |          |       |        |            |          |           |         | Average         |                 |                   | 978           | 83554          | 039                   |

Allocations

|            | Oil | Gas | Water |
|------------|-----|-----|-------|
| Dakota     | 16% | 42% | 75%   |
| Mesa Verde | 26% | 20% | 8%    |
| Mancos     | 58% | 38% | 17%   |