

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.

RECEIVED

JUL 22 2011

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well ☐ Oil Well ☒ Gas Well ☐ Other		5 Lease Serial No NM 03553
2 Name of Operator XTO ENERGY INC.		6 If Indian, Allottee or Tribe Name N/A
3a Address 382 CR 3100 AZTEC, NM 87410	3b Phone No (include area code) 505-333-3630	7 If Unit or CA/Agreement, Name and/or No N/A
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) 1760' FSL & 1865' FEL NWSE SEC.11 (J) -T26N-R06W N.M.P.M.		8 Well Name and No BREECH D #685G
		9 API Well No 30-039-31014
		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	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other <u>DOWNHOLE</u>
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	<u>COMMINGLE</u>
	☐ Convert to Injection	☐ Plug Back	☐ 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 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 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:

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

RCVD AUG 1'11
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 7/21/2011. 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.

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

WANETT MCCAULEY

Title REGULATORY COMPLIANCE TECHNICIAN

Signature

Wanett McCauley

Date 7/21/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Joe Hewitt	Title Geo	Date 7-25-11
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 FFD	

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

AV ER

Breech D 685G - 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	85 (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	0.19

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	97.8	835.54	0.39

Allocations

	Oil	Gas	Water
Dakota	16%	42%	75%
Mesaverde	26%	20%	8%
Mancos	58%	38%	17%