

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

AUG 30 2012

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.

5 Lease Serial No
NMNM035634

6 If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2

7 If Unit of CA/Agreement, Name and/or No
NMNM-76056

1 Type of Well
 Oil Well Gas Well Other

8 Well Name and No
MCGRADY GAS COM C #1

2 Name of Operator
XTO ENERGY INC

9 API Well No
30-045-24374

3a Address
382 ROAD 3100
AZTEC, NM 87410

3b Phone No (include area code)
505-333-3100

10 Field and Pool or Exploratory Area
BASIN DAKOTA

4 Location of Well (Footage, Sec, T, R, M, or Survey Description)
SE1/4, SEC 14 (F), T27N, R12W, N M P M
1585' FNL & 1640' FWL

11 Country or Parish, State
San Juan, NM

12 CHECK THE 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"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input 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 <u>METER</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>CALIBRATION</u> |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | <u>VARIANCE</u> |

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 recomplate 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

XTO Energy Inc. would like to request an exception to the Onshore Order #5 that requires quarterly meter calibration. Due to low volume (less than 100 mcf/d). XTO Energy Inc. proposes to calibrate the meter for this well semi-annually

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

Malia Villers

Title Permitting Tech.

Signature

Malia Villers

Date

8.28.12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

**ENTERED
APR 15**

Approved by

Title

Date

SEP 25 2012

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

BY

[Signature]

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 a false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVED

(Instructions on page 2)

ACCEPTED FOR RECORD

NMOCD

Well and Notice Remarks

| | | | | |
|---------------------------|-------------------|--------------------------|----------------|---------------------------|
| Doc. Number 12KJS1700S | Doc. Type VARI | Case Number NMNM76056 | Type 318310 | Name MCGRADY GAS COM C |
|---------------------------|-------------------|--------------------------|----------------|---------------------------|

| | | | |
|-----------------------------------|---|------------------|--|
| API 300452437400S1 FACILITY | Well Name MCGRADY GAS COM C MCGRADY GAS COM C | Number 1 1 | Operator XTO ENERGY INC XTO ENERGY INC |
|-----------------------------------|---|------------------|--|

| | | | | |
|---------------------------|--------------------|---------------------------|-----------------|----------------------|
| Doc. Number 12KJS1700S | Date 09/25/2012 | Author KEVIN SCHNEIDER | Subject VARI | Category APPROVAL |
|---------------------------|--------------------|---------------------------|-----------------|----------------------|

Category GENERAL

Date 09/25/2012

Variance to Onshore Order #5, for semi-annual gas meter calibrations in accordance with NTL 92-5. Wells produce Less than 100 MCFD. Approval is indefinite and will remain in effect until production no longer meets the requirement of NTL 92-5 or is rescinded by the BLM by writtnen notice.