

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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.

NOV 03 PM 2:15

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM14923
2. Name of Operator XTO Energy Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington,	3b. Phone No. (include area code) 505-324-1090	7. If Unit or CA/Agreement, Name and/or No. UNIT #40B
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2410' FSL & 2175' FWL SEC 35K-T28N-R04W		8. Well Name and No. VALENCIA CANYON UNIT #40B
		9. API Well No. 30-039-29604
		10. Field and Pool, or Exploratory Area BLANCO MESAVERDE
		11. County or Parish, State RIO ARRIBA NM

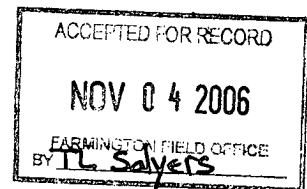
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate 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.)

Please see the attached morning report for pressure test, squeeze and completion information.

RCVD NOV 07 06
OIL CONS. DIV.
DIST. 3



Requires NSL

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) LORRI D. BINGHAM	Title REGULATORY COMPLIANCE TECH
<i>[Signature]</i>	Date 10/30/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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, 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.

NMOCD

9/12/06 Cont'd rpt for AFE 301911 to D & C. SICP 0 psig. MIRU Stinger 5K frac vlv. MIRU H & M Precision pmp trk. Trtd frac fld w/biocide. RDMO pmp trk. MIRU BWWC WLU. Perf'd Point Lookout w/3-1/8" select fire csg gun @ 6,506', 6,483', 6,463', 6,443', 6,431', 6,420', 6,383', 6,375', 6,355', 6,347' w/2 JSPF (Owen HSC-3125-302, 10 gm chrsg, 0.32" EHD, 14.3" pene., 20 holes). POH w/WL. MIRU Weatherford ac equip. BD perfs fr/6,347' - 6,506' w/2% KCl wtr @ 2 BPM & 300 psig. EIR @ 10 BPM & 850 psig. A. w/800 gals 15% NEFE ac & 30 1.1 SG BS. Flshd w/158 bbls 2% KCl wtr @ 8 BPM & 725 psig. Balled off @ 3,850 psig. Surged off BS. ISIP 60 psig. 3" SIP 0 psig. 214 BLWTR. RDMO ac equip. RIH w/JB to 6,779' (PBSD) & knocked off BS. POH w/WL. Rec'd 30 BS. SWI. RDMO WLU. SDFN. 559 BLWTR.

9/14/06 Cont'd rpt for AFE 301911 to D & C. SICP 0 psig. MIRU Halliburton frac equip. Frac'd Point Lookout perfs fr/6,347' - 6,506' dwn 5-1/2" csg w/208,307 gals 70Q foam, 20# linear gell, 2% KCl wtr carrying 84,100# sd (61,000# 20/40 Ottawa sd & 23,100# 20/40 Super LC RC sd per wt slips). Flshd w/147 bbls 40% N2 foamed frac fld. Max sd conc 2.18 ppg. AIR 29.2 BPM. ATP 2,588 psig. Max TP 2,724 psig. ISIP 2,474 psig. 5" SIP 1,896 psig. Used ttl 1,810,000 scf N2. SWI. 702 BLWTR. RDMO frac equip. SWI 4 hrs. MIRU flwback mnfd & FL. SICP 1,600 psig. OWU @ 5:00 p.m. F. 0 BO, 51 BLW, N2, frac fld, no sc. FCP 1,600 - 650 psig, 1/4" ck, 4 hrs. F. 0 BO, 224 BLW, N2, frac fld, no sd. FCP 500 - 400 psig, 3/8" ck, 9 hrs. 986 BLWTR.

9/15/06 Cont'd flwback fr/MV. F. 0 BO, 157 BLW, N2, frac fld, no sc. FCP 390 - 290 psig, 3/8" ck, 6 hrs. F. 0 BO, 129 BLW, gas, N2, frac fld, no sd. FCP 250 - 240 psig, 1/2" ck, 5 hrs. SWI. RDMO flwback mnfd & FL. 700 BLWTR.

9/27/06 SICP 1,050 psig. Cont'd rpt for AFE 301911 to D & C. MIRU Triple "P" Rig # 3. MIRU BWWC WLU. RIH w/Halliburton 5-1/2" 10K CBP & set @ 6,235'. POH w/WL. Bd well. PT csg & CBP to 1,500 psig for 5" w/140 bbls 2% KCl wtr. Tstd OK. Rlsd press. ND Stinger 5K frac vlv. NU BOP. RU WLU. Perf'd sqz holes @ 6,200' w/2 JSPF (Owen HSC-3125-369, 15.0 gm chrsg, 0.48" dia, 11.20" pene, 2 holes). POH w/WL. EIR dwn 5-1/2" csg w/10 bbls 2% KCl wtr @ 2 BPM & 1,400 psig. ISIP 1,300 psig. 5" SIP 1,000 psig. Rlsd press. RDMO WLU. PU & TIH w/5-1/2" Baker CICR & 37 jts 2-3/8" tbg. SWI. SDFN. Rptd to Jim Lavoto w/BLM & Henry Villanueva w/NMOCD @ 1:30 p.m. 9/26/2006 sqz for Menefee perfs @ 6,200' @ 2:00 p.m. 9/27/2006. 850 BLWTR.

9/28/06 SITP 0 psig. SICP 0 psig. PU & RIH w/150 jts 2-3/8" tbg. Set 5-1/2" CICR @ 6,108'. PT tbg to 500 psig for 5" w/5 bbls 2% KCl wtr. Tstd OK. Rlsd press. RU rig pmp. EIR @ 4 BPM & 900 psig. RD rig pmp. MIRU Halliburton cmt equip. PT TCA to 500 psig. EIR dwn tbg @ 2.1 BPM & 1,600 psig w/25 bbls 2% KCl wtr. Sqz'd perfs @ 6,200' w/150 sks Dakota Lt w/0.1% Halad - 9, 1/4 pps flocele, & 2% KCl, (mixed @ 12.5 #/gal & 1.78 cuft/sk yield). Tailed w/25 sks class "G" w/0.3% Halad - 344 (mixed @ 15.6 ppg & 1.21 cuft/sk yield). Ppd 47 bbls (lead) & 5.4 bbls. Ppd tail cmt dwn tbg @ 2.8 BPM & 1,800 psig. Flshd dwn tbg w/23 BFW fr/2 BPM - 1/2 BPM. Sqz press incr fr/1,450 psig to 2,000 (psig final sqz press). SD. Stung out fr/CICR & LD 1 jt 2-3/8" tbg. Rev circ tbg cln w/40 BFW. 50 bbls cmt below CICR (150 sks lead & 15 sks tail). RDMO cmt equip. TOH w/20 jts 2-3/8" tbg. SWI. SDFN. 875 BLWTR.

9/29/06 SITP 0 psig. SICP 0 psig. TOH w/167 jts 2-3/8" tbg & CICR setting

tl. LD setting tl. TIH w/4-3/4" bit, 4 - 3-1/2" DCs, XO, & 176 jts 2-3/8" tbg. SWI. SDFN. 875 BLWTR.

9/30/06 SITP 0 psig. SICP 0 psig. TIH w/7 jts 2-3/8" tbg. Tgd @ 6,088' (20' of fill). RU pwr swivel. Estb circ w/FW. DO cmt fr/6,088' - 6,108' (CICR). DO CICR @ 6,108'. DO cmt fr/6,110' to 6,211' (sqz perfs @ 6,200'). CO fill fr/6,211' - 6,235' (CBP). Circ cln 30". PT sqz perfs @ 6,200' to 500 psig for 5". Tstd OK. Rlsd press. RD pwr swivel. TOH w/190 jts 2-3/8" tbg, XO, 4 - 3-1/2" DCs, & 4-3/4" bit. MIRU BWWC WLU. Ran GR/CCL/CBL log fr/6,235' (CBP) - 5,690', (6,024' TOC). DV tl @ 3,992'. POH w/WL. RDMO WLU. Gd cmt fr/6,235' - 6,024'. SWI. SDFWE. 875 BLWTR.

10/1/06 SITP 0 psig. SICP 0 psig. TIH w/7 jts 2-3/8" tbg. Tgd @ 6,088' (20' of fill). RU pwr swivel. Estb circ w/FW. DO cmt fr/6,088' - 6,108' (CICR). DO CICR @ 6,108'. DO cmt fr/6,110' to 6,211' (sqz perfs @ 6,200'). CO fill fr/6,211' - 6,235' (CBP). Circ cln 30". PT sqz perfs @ 6,200' to 500 psig for 5". Tstd OK. Rlsd press. RD pwr swivel. TOH w/190 jts 2-3/8" tbg, XO, 4 - 3-1/2" DCs, & 4-3/4" bit. MIRU BWWC WLU. Ran GR/CCL/CBL log fr/6,235' (CBP) - 5,690', (6,024' TOC). DV tl @ 3,992'. POH w/WL. RDMO WLU. Gd cmt fr/6,235' - 6,024'. SWI. SDFWE. 875 BLWTR.

10/3/06 SICP 0 psig. MIRU BWWC WLU. Perfd sqz holes @ 5,997' w/2 JSPF (Owen HSC-3125-369, 15.0 gm chrgs, 0.48" dia, 11.20" pene, 2 holes). POH w/WL. EIR dwn 5-1/2" csg w/20 bbbs 2% KCl wtr @ 3 BPM & 1,500 psig. ISIP 1,250 psig. Rlsd press. RDMO WLU. PU & TIH w/5-1/2" Baker CICR & 180 jts 2-3/8" tbg. Set CICR @ 5,907'. MIRU Halliburton cmt equip. PT TCA to 500 psig. EIR @ 2 BPM & 1,400 psig w/10 BFW. Sqz'd perfs @ 5,997' w/75 sks Dakota Lt, w/0.1% Halad - 9, 1/4 pps flocele, & 2% KCl (mixed @ 12.5 ppg & 1.78 cu ft/sk yield). Tailed w/25 sks class "G" w/0.3 % Halad - 344 (mixed @ 15.6 ppg & 1.21 cu ft/sk yield). Ppd 23.2 bbbs (lead) & 5.4 bbbs (tail) cmt dwn tbg @ 2 BPM & 1,200 psig. Flshd w/21.6 BFW. Sqz press incr fr/850 psig to 2,175 psig (final sqz press). SD. Stung out fr/CICR. LD 1 jt 2-3/8" tbg. Rev circ tbg cln w/46 BFW. RDMO cmt equip. TOH w/30 jts 2-3/8" tbg. Sqz'd w/75 sks Lead & 10 sks Tail. Revr'd 3 bbbs cmt (26 bbbs cmt below CICR). SWI. SDFN. Rptd to Jim Lavoto w/BLM & Henry Villanueva w/NMOCD @ 9:00 a.m. 10/2/2006 sqz for Menefee perfs @ 5,997' @ 2:00 p.m. 10/2/2006. 905 BLWTR.

10/4/06 SITP 0 psig. SICP 0 psig. TOH w/167 jts 2-3/8" tbg & setting tl. TIH w/4-3/4" bit, 4 - 3-1/2" DCs, XO, 176 jts 2-3/8" tbg. Tgd @ 5,891' (16 of fill). RU pwr swivel. Estb circ w/FW. DO cmt fr/5,891' - 5,907' (CICR). DO CICR @ 5,907'. Circ cln 30". PT sqz @ 5,907' to 500 psig for 5". Tstd OK. Rlsd press. RD pwr swivel. TOH w/10 jts 2-3/8" tbg. SWI. SDFN. 905 BLWTR.

10/5/06 SITP 0 psig. SICP 0 psig. TIH w/10 jts 2-3/8" tbg. Tgd @ 5,930' (82' fill). RU pwr swivel. Estb circ w/FW. DO cmt fr/5,930' - 6,012' (sqz perfs @ 5,997'). CO fill fr/5,997' - 6,200' (CBP). Circ 30". PT sqz perfs @ 5,997' to 500 psig for 5". Tstd OK. Rlsd press. RD pwr swivel. TOH w/185 jts 2-3/8" tbg, XO, 4 - 3-1/2" DCs, & 4-3/4" bit. MIRU BWWC WLU. Ran GR/CCL/CBL log fr/6,180' - 5,600 (5,930' TOC). DV tl @ 3,992'. POH w/WL. RDMO WLU. Gd cmt fr/6,190 - 5,930'. TIH w/4 - 3-1/2" DCs. TOH & LD 4 -3-1/2" DCs. SWI. SDFWE. 905 BLWTR.

10/6/06 SITP 0 psig. SICP 0 psig. TIH w/NC, SN & 212 jts 2-3/8" tbg. Tgd @ 6,235' (CBP). Circ w/150 bbbs 2% KCl wtr. TOH & LD w/212 jts tbg, SN & NC.

ND BOP. NU WH. RDMO Triple "P" Rig #3. 1,055 BLWTR.

10/16/06 Cont'd rpt for AFE 301911 to D & C. SICP 0 psig. MIRU H & M Precision pmp trk. Trtd frac fld w/biocide. RDMO pmp trk. MIRU BWWC WLU. Perf'd Menefee w/3-1/8" select fire csg gun @ 6,184', 6,178', 6,158', 6,145', 6,141', 6,122', 6,115', 6,095', 6,077', 6,070', 6,063', 6,057', 6,044', 6,032', 6,025', 6,015', 6,012', 5,997' w/1 JSPF (Owen HSC 3125-302, 10 gm chrgs; 0.32" EHD, 14.3" pene., 18 holes). POH w/csg gun. MIRU Halliburton ac equip. BD Menefee perms fr/5,997' - 6,184' w/2% KCl wtr @ 1.5 BPM & 1,452 psig. EIR @ 8.2 BPM & 2,500 psig. A. w/800 gals 15% NEFE HCl ac & 30 - 7/8" 1.1 SG BS. Flshd w/149 bbls 2% KCl wtr @ 10.6 BPM & 1,720 psig. Balled off @ 3,750 psig. Surge off BS. Fin flsh w/6 bbls 2% KCl wtr @ 1.5 BPM & 620 psig. ISIP 620 psig. 317 BLWTR. RDMO ac equip. RIH w/JB to 6,235' (CBP) & knocked off BS. POH w/JB. Rec'd 29 BS. SWI. SDFWE. RDMO WLU. 1,372 BLWTR.

10/18/06 SICP 0 psig. MIRU Halliburton frac equip. Fracd Menefee perms fr/5,997' - 6,184' dwn 5-1/2" csg w/82,601 gals 70Q foam, 20# linear gel, 2% KCl wtr carrying 80,400# sd (60,300# 20/40 Ottawa sd & 20,100# 20/40 CRC sd per wt slips). Flshd w/140 bbls 70Q foamed frac fld. Max sd conc 2.21 ppg. AIR 26.7 BPM. ATP 3,008 psig. Max TP 3,253 psig. ISIP 3,220 psig. 5" SIP 2,276 psig. Used ttl 1,400,000 scf N2. 699 BLWTR. SWI 4 hrs. SICP 2,200 psig. OWU @ 3:30 p.m. F. 0 BO, 326 BLW, N2, frac fld, no sd, FCP 2,200 - 900 psig, 1/4" ck, 14 hrs. 1,745 BLWTR.

10/21/06 SICP 1,050 psig. MIRU Triple "P" Rig # 7. Bd well. Ppd dwn csg w/20 bbls 2% KCl wtr & KW. ND frac vlv. NU BOP. PU & TIH w/4-3/4" jnk ml, XO, 184 Jts 2-3/8" tbg. Tgd @ 6,063' (163' of fill). RU pwr swivel. MIRU AFU. Estb circ w/AFU. CO fill fr/6,063' - 6,114' (51' of fill). Circ 30". SD AFU. RD pwr swivel. TOH w/4 jts 2-3/8" tbg. Used 8 bbls 2% KCl wtr w/AFU. Recd 0 BO, 80 BLW, w/AFU. SWI. SDFN. 1,543 BLWTR.

10/22/06 SITP 0 psig. SICP 810 psig. TIH w/4 jts 2-3/8" tbg. Tgd @ 6,114' (121' of fill). RU pwr swivel. Estb cir w/AFU. CO fill fr/6,114' - 6,235' (CBP). DO CBP @ 6,235'. Circ 30". TIH w/3 jts 2-3/8" tbg. Tgd @ 6,633' (146' fill). TOH w/20 jts 2-3/8" tbg. SWI. Used 20 bbls 2% KCl wtr w/AFU. Recd 0 BO, 160 BLW w/AFU. SDFWE. 1,403 BLWTR.

10/24/06 SITP 0 psig. SICP 1,250 psig. Bd well. TIH w/20 jts 2-3/8" tbg. Tgd @ 6,732' (47' of fill). RU pwr swivel. Estb circ w/AFU. CO fill fr/6,732' - 6,779' (PBSD). Circ 30". SD AFU. RD pwr swivel. TOH w/24 jts 2-3/8" tbg. Well KO. F. 0 BO, 185 BLW, SITP 0 psig, FCP 100 psig, 2" ck, 2 hrs. TIH w/24 jts 2-3/8" tbg. Tgd @ 6,776' (3' of fill). RDMO AFU. TOH & LD 15 jts 2-3/8" tbg. Ppd dwn tbg w/30 bbls 2% KCl wtr & KW. TOH w/192 jts 2-3/8" tbg & BHA. Used 20 bbls 2% KCl wtr w/AFU. Recd 0 BO, 160 BLW w/AFU. SDFWE. 1,108 BLWTR.

10/25/06 SICP 900 psig. Bd well. Ppd dwn csg w/25 bbls 2% KCl wtr & KW. TIH w/2-3/8" NC, 2-3/8" SN & 196 jts 2-3/8", 4.7#, J-55, EUE-8rd, Seah tbg fr/Pan Meridian. Ppd dwn tbg w/10 bbls 2% KCl wtr & KW. TIH w/XTO's 1.910" tbg broach to SN. POH w/tbg broach. LD tbg broach. Ld tbg w/donut & 2-3/8" seal assy as follows: SN @ 6,410'. EOT @ 6,410'. MV perms fr/5,997' - 6,506'. PBSD 6,779'. ND BOP. NU WH. RDMO Triple "P" Rig #7. 1,143 BLWTR.