

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 30-045-05740
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Berger
8. Well No. #3
9. Pool name or Wildcat Basin Dakota / Gallegos Gallup
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6,298' KB

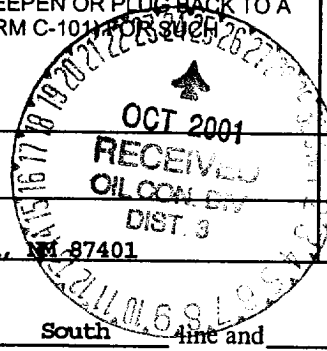
SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
XTO Energy Inc.

3. Address of Operator
2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

4. Well Location
 Unit Letter I : 1650 feet from the South line and 990 feet from the East line
 Section 22 Township 26 N Range 11 W NMPM County San Juan



10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 6,298' KB

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON

TEMPORARILY ABANDON CHANGE PLANS

PULL OR ALTER CASING MULTIPLE COMPLETION

OTHER: Down Hole Casing

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING

COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT

CASING TEST AND CEMENT JOB

OTHER:

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

XTO request approval to DHC the Basin Dakota and Gallegos Gallup pools in the Berger #3 per the following procedure.

MIRU PU.
 TOH with rods and pump.
 TIH and clean out to RBP set @ 5,436'. Recover RBP and TOH.
 Pick up Baker packer plucker and mill out Baker model D packer @ 5,436'. Recover packer.
 Clean out to PBTD. TIH with OPMA and tubing. Set tubing @ 6,190'.
 Run rods and pump. DHC well.

DHC 563A2

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Loren W Fothergill TITLE Production Engineer DATE 10/24/01

Type or print name Loren W Fothergill Telephone No. 505 324 1090

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE OCT 25 2001

Conditions of approval, if any: p SNR 0130239631

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires November 30, 2000

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF-078641
2. Name of Operator Cross Timbers Operating Company		6. If Indian, Allottee or Tribe Name
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401505/324-1090	3b. Phone No. (include area code)	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650'FSL, 990'FEL, Sec.22,T26N,R11W		8. Well Name and No. BERGER #3
		9. API Well No. 30-045-05740
		10. Field and Pool, or Exploratory Area Basin Dakota Gallegos Gallup
		11. County or Parish, State SAN JUAN NM

12. CHECK 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>DHC</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Dakota & Gallup</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 approximated 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 propose to DHC the Basin Dakota and Gallegos Gallup by the following procedure.

- 1 MIRU PU.
2. TOH with rods and pump.
3. TIH and clean out to RBP set @ 5,436'. Recover RBP and TOH.
4. Pick up Baker packer plucker and mill out Baker model D packer @ 5,436'. Recover packer.
5. Clean out to PBD. TIH with OPMA and tubing. Set tubing @ 6,190'.
6. Run rods and pump. DHC well.

Attached for your information is the application to the NMOCD to downhole commingle the Berger #3.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) LOREN FOTHERGILL	Title PRODUCTION ENGINEER
<i>Loren W Fothergill</i>	Date 10/24/01

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

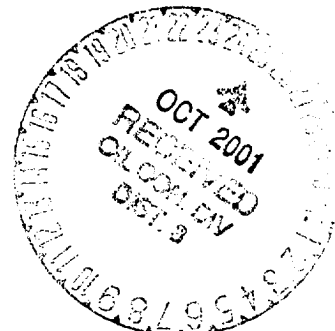
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, 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.



October 22, 2001

Mr. Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Rd.
Aztec, New Mexico 87410



RE: Administrative approval to Downhole Commingle
Berger #3
1,650' FSNL & 990' FEL Sec. 22, T 26 N, R 11 W
San Juan County, New Mexico

Dear Mr. Chavez:

XTO Energy Inc. respectfully request approval to downhole commingle production from the Basin Dakota and Gallegos Gallup pools in the Berger #3. Attached for your reference are the following exhibits:

1. Sundry Notice (NMOCD From C-103)
2. Decline curves used for Production Allocation.

The Berger #3 was drilled and completed by Tennessee Gas and Oil Company as a Dakota well in July 1959. The Gallup formation was originally perforated in this well, but was never fracture stimulated. The Gallup formation was subsequently plugged. The Gallegos Gallup formation was re completed in May 2001. The well is perforated in the Basin Dakota from 6,074'-6,191' and the Gallegos Gallup from 5,185'-5,355'.

Based upon the decline curve for the Basin Dakota formation and the production decline rate from the Gallegos Gallup analysis the following allocation was determined:

Basin Dakota (71599)	Oil 6.5%	Water 0 %	Gas 24.2 %
Gallegos Gallup (26980)	Oil 93.5%	Water 100 %	Gas 75.8 %

Both pools have common interest owners. Commingling both zones will not reduce the ultimate recovery of either pool. Downhole commingling will improve recovery of liquids, eliminating redundant surface equipment and maximize compressor efficiency. Notice has been filed with the BLM on Form 3160-5 concerning this matter.