

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

RECEIVED

JUN 30 2011

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

Farmington, NM  
Bureau of Land Management

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. Lease/Agreement, Name and/or No. NM 048570
2. Name of Operator XTO ENERGY INC.		8. Well Name and No. SKELLY GAS COM #1
3a. Address 382 CR 3100 AZTEC, NM 87410	3b. Phone No. (include area code) 505-333-3100	9. API Well No. 30-045-07735
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 815' ENL & 890' FEL NENE SEC. 32 (A) - T29N-R10W		10. Field and Pool, or Exploratory Area BASIN DAKOTA
		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 checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PSI-300
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	VERBAL APPROVAL
	<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 recompleat 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 recompleat 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. received verbal approval to pump PSI-300 Seal Maker from 3,898' - 4,120'. Approval given by Charlie Perrin (OCD) @ 2:00 p.m., 6/28/2011; and Troy Salyers (BLM) @ 7:50 a.m., 6/29/2011.

(See attached XTO Verbal Approval Form).

The previous C-144 CLEZ Pit Permit approval will remain in effect until the rig moves off.

\* Must provide quarterly production summaries to the OCD to verify 300psi is holding



BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) BARBARA A. NICOL		Title REGULATORY COMPLIANCE TECHNICIAN
Signature Barbara A. Nicol		Date 06/29/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Troy L. Salyers	Title Petroleum Engineer	Date 7/12/2011
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 FFO

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.

## XTO

### Verbal Approval Form

Well Name	Well #	API #	County/State	XTO Employee Requesting Verbal Approval
Skelly Gas Com	#1	30-045-07735	San Juan/NM	Mike Logan
<b>Detailed Description of Proposed Action Requiring Verbal Approval</b>				
Approval to pump PSI-300 Seal Maker from 3,898' - 4,120'.				
<b>Name of Agency</b>	<b>Verbal Approval Given By</b>	<b>Date/Time of Verbal Approval</b>	<b>COA's</b>	
BLM	Troy Salyers	6/29/11 7:50 a.m.		
OCD	Charlie Perrin	6/28/11 2:00 p.m.		
<b>Is Pit Permit C144-CLEZ Required? (NM only)</b>	<b>Verbal Pit Approval Given By</b>	<b>Date/Time of Pit Verbal Approval</b>	<b>COA's</b>	
Previous approval remains until rig moves off	Brandon Powell	6/14/2011 2:30 p.m.		