

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RCVD DEC12'06  
FORM APPROVED  
OMB NO. 1004-0137  
Expires March 31, 2007  
OIL CONS. DIV.  
DIST. 3

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. <b>NMSF-078977</b>	
2. Name of Operator <b>XTO Energy Inc.</b>		6. If Indian, Allottee or Tribe Name	
3a. Address <b>2700 Farmington Ave., Bldg. K. Ste 1 Farmington,</b>	3b. Phone No. (include area code) <b>505-324-1090</b>	7. If Unit or CA/Agreement, Name and/or No.	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>665' FNL &amp; 665' FEL SEC 30A-T30N-R13W</b>		8. Well Name and No. <b>FEDERAL C #3</b>	
		9. API Well No. <b>30-045-33693</b>	
		10. Field and Pool, or Exploratory Area <b>Basin Fruitland Coal</b>	
		11. County or Parish, State <b>SAN JUAN NM</b>	

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 type="checkbox"/> Water Shut-Off
<input checked="" 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 <b>SPUD, TD</b>
	<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	

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.)

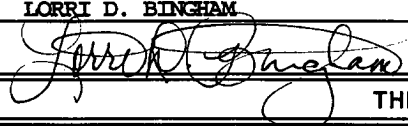
XTO Energy Inc. spudded 12-1/4" surf hole @ 5:00 p.m., 10/27/06 and drilled to 230'. Ran 8-5/8", 24#, J-55 casing to 229' KB. Cmt'd w/150 sx Type III cmt w/3% CaCl & 1/4 pps Celloflakes (14.5 ppg & 1.42 cuft/sx). PT to 1000 psig f/30 min. Tstd OK.

Reached driller's TD of 1596' @ 7:00 p.m., 11/2/06.

Ran 5-1/2", 15.5#, J-55 casing (7-7/8" hole) to 1596' KB. Cmt'd w/175 sx Prem Lite cmt w/2% CaCl, 0.2% CD-32, 1/4 pps Celloflakes, 0.5% FL-52 & 2 pps Phenoseal (12.5 ppg & 2 cuft/sx) f/b 100 sx Type III cmt w/2% CaCl, 2% CD-32, 1/4 pps Celloflakes & 0.2% FL-52 (14.2 ppg & 1.49 cuft/sx).

\*\*Production casing will be tested upon completion.\*\*

Report TOC 8 5/8 CSG and 5 1/2 CSG.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) <b>LORRI D. BINGHAM</b>		Title <b>REGULATORY COMPLIANCE TECH</b>
		Date <b>12/4/06</b>
<b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>		
Approved by		Title <b>DEC 07 2006</b>
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 <b>FARMINGTON FIELD OFFICE</b> <i>San</i>
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.		

NMOCU