

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB 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. NMSF078863
2. Name of Operator XTO ENERGY INC		6. If Indian, Allottee or Tribe Name
Contact: HOLLY C PERKINS E-Mail: HOLLY_PERKINS@XTOENERGY.COM		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 2700 FARMINGTON AVE., BLDG K, SUITE 1 FARMINGTON, NM 87401	3b. Phone No. (include area code) Ph: 505-564-6720 Fx: 505-564-6700	8. Well Name and No. KRAUSE FEDERAL 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 32 T28N R11W SWSW 0790FSL 0990FWL 36.61360 N Lat, 108.03220 W Lon		9. API Well No. 30-045-06972-00-D1
		10. Field and Pool, or Exploratory BASIN DAKOTA KUTZ GALLUP
		11. County or Parish, and State SAN JUAN COUNTY, 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 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 site is ready for final inspection.)

XTO Energy Inc. called Monica w/NMOCD & Sharon w/BLM @ 9:30 a.m. and 9:45 a.m., 9/2/04 to report time for cement squeeze on 9/3/04 @ 8:00 a.m. XTO Energy Inc. will set cement retainer @ 5746' and sting into cement retainer. Approx 30 bbls Type III cmt will be used.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.



14. I hereby certify that the foregoing is true and correct. Electronic Submission #50112 verified by the BLM Well Information System For XTO ENERGY INC, sent to the Farmington Committed to AFMSS for processing by MATTHEW HALBERT on 11/08/2004 (05MXH0093SE)	
Name (Printed/Typed) HOLLY C PERKINS	Title REGULATORY COMPLIANCE TECH
Signature (Electronic Submission)	Date 10/15/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Matthew Halbert</u>	Title	Date <u>11/8/04</u>
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, make 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED**