

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0137
Expires July 31, 2010

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

RECEIVED

NOV 13 2007

Bureau of Land Management
505-333-1100 Old Office

5 Lease Serial No

NMSF-077875

6 If Indian, Allottee or Tribe Name

RCVD NOV 16 '07

7. If Unit or CA/Agreement Name and/or No
OIL CONS. DIV.

DIST. 2

8 Well Name and No
PO PIPKIN #2G

9 API Well No

30-045-34169

10 Field and Pool, or Exploratory Area

BASIN DAKOTA

WILDCAT BASIN MANCOS

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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Casing Repair☐ New Construction☐ Recomplete☒ Other DOWNHOLE☐ Change Plans☐ Plug and Abandon☐ Temporarily AbandonCOMMINGLE☐ Convert to Injection☐ Plug Back☐ 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. proposes to downhole commingle production from the Basin Dakota (71599) and the Wildcat Basin Mancos (97232) upon completion of drilling. Allocations are based upon the average daily rates of both pools. Both Mancos & Dakota were tested separately in this well. Below are the average daily rates per pool and allocation percentages:

Basin Dakota:	Oil: 33.3% (1.5 BOPD)	Water: 40% (4 BWPD)	Gas: 70.14% (155 MCFD)
Basin Mancos:	Oil: 66.67% (3 BOPD)	Water: 60% (6 BWPD)	Gas: 29.86% (66 MCFD)

Common ownership between pools makes notifying owners of our intent to DHC unnecessary. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The NMCD was notified of our intent via submittal of Form C103 on 11/6/2007. Apply to NMCD Santa Fe Engineering Bureau on Form C-107A.

NO DHC order - not pre approved

- 14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

HOLLY C. PERKINS

Title REGULATORY COMPLIANCE TECH

Signature

Date 11/6/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title Geo

Date

11-15-07

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.

NMCD

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Ave. Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number	*Pool Code 71599	*Pool Name Basin Dakota
*Property Code	*Property Name P O PIPKIN	*Well Number 2G
*OGRI No 167067	*Operator Name XTO ENERGY INC.	*Elevation 6083

10 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	B	27-N	10-W		670	NORTH	1345	WEST	SAN JUAN

11 Bottom Hole Location if Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres w/2 320					*Joint or Infill		*Consolidation Code		*Order No

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	FD. 2 1/2" BC 1913 G.L.D.	S 89-56-43 E 2639.04' (M)	FD. 2 1/2" BC 1913 G.L.D.	17 OPERATOR CERTIFICATION
LAT: 36.59519° N. (NAD 83) LONG: 107.92332° W. (NAD 83) LAT: 36°35'42.7" N (NAD 27) LONG: 107°55'21.7" W. (NAD 27)				I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.
				Signature: <i>Holly Small</i> Date: <i>10/20/06</i> Printed Name: <i>Holly Small</i>
8				18 SURVEYOR CERTIFICATION
				I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
FD. 2 1/2" BC 1913 G.L.D.				Date of Survey: <i>10/20/06</i> Signature: <i>ROBERTA RISH</i> Professional Land Surveyor New Mexico 2506
				Certificate Number

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Form C-101

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code	3 Pool Name
		91232	Basin Mancos
4 Property Code	5 Property Name		6 Well Number
	P O PIPKIN		2G
7 OGRID No.	8 Operator Name		9 Elevation
16070607	XTO ENERGY INC.		6083

10 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	8	27-N	10-W		670	NORTH	1345	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres			13 Joint or Infill		14 Consolidation Code			15 Order No	
NW 1/4 1600									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p> <p>FD. 2 1/2" BC 1913 G.L.O.</p> <p>570'</p> <p>1345'</p> <p>S 00-00-37 E 2639.73' (M)</p> <p>S 89-56-43 E 2639.04' (M)</p> <p>LAT: 36.59519° N. (NAD 83) LONG: 107.92332° W. (NAD 83) LAT: 36.35'42.7" N. (NAD 27) LONG: 107.55'21.7" W. (NAD 27)</p> <p>8</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Billy Small</i> 10/25/06 Signature Date Billy Small Printed Name</p>
<p>FD. 2 1/2" BC 1913 G.L.O.</p>	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>ROBERTA RICH Date of Survey Signature and Title of Surveyor NEW MEXICO Professional Land Surveyor 2506 Certificate Number</p>	

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State of New Mexico
Energy, Minerals and Natural Resources

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505
APPLICATION FOR DOWNHOLE COMMINGLING

APPLICATION TYPE
Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
Yes No

XTO Energy Inc. 382 CR 3100 Aztec, NM 87410
Operator Address

PO PIPKIN 2G NEW 8 27N 10W SAN JUAN
Lease Well No Unit Letter-Section-Township-Range County

OGRID No 5380 Property Code API No 30-045-34169 Lease Type X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	WILDCAT BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5646' 5939'		6375' 6637'
Method of Production (Flowing or Artificial Life)	FLOWING		FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	0.60/1000.0		0.60/1000.0
Producing, Shut-In or New Zone	NEW ZONE		NEW ZONE
Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: Rates:
	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil: 66.67 % Gas: 29.86 %	Oil: % Gas: %	Oil: 33.3 % Gas: 70.14 %

Are all working, overriding, and royalty interests identical in all commingled zones? Yes X No
If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No
Are all produced fluids from all commingled zones compatible with each other? Yes X No
Will commingling decrease the value of production? Yes No X
If this well is on or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No
NMOCD Reference Case No applicable to this well:

ATTACHMENTS
C-102 for each zone to be commingling showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year (If not available, attach explanation)
For zones with no production history, estimated production rates and supporting data
Data to support allocation method or formula.
Notification list of all offset operators
Notification list of working, overriding, and royalty interests for uncommon interest cases
Any additional statements, data, or documents required to support commingling

If application is to establish Pre-Approved Pools, the following additional information will be required.

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data
I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TEC DATE 11/2/2007
TYPE OR PRINT NAME HOLLY C. PERKINS TELEPHONE NO. (505) 333-3100
E-MAIL holly_perkins@xtoenergy.com