

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

APR 29 2008

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. Farmington Field Office

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

XTO Energy Inc.

3a Address

382 CR 3100 Aztec, NM 87410

3b Phone No. (include area code)

505-333-3100

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1670' ENL & 1855' FEL Sec 15G-T27N-10W

Lease Serial No.

NMSF 077329

6. BLM Field, Allottee or Tribe Name

Office

7. If Unit or CA/Agreement, Name and/or No

NMM-73676 DK

8. Well Name and No.

MARTIN GAS COM #1F

9. API Well No.

30-045-34385

10. Field and Pool, or Exploratory Area

BASIN DK/WC BASIN MC

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

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other DOWNHOLE

COMMINGLE

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. requests approval for an exception to NMCD Rule 303-C permit DHC of production from the Basin Dakota & Wildcat Basin Mancos in the Martin GC #1F. XTO proposes to downhole commingle these pools upon completion of this well.

Allocations are based upon a 9-section EUR and are calculated as follows:

Basin Dakota	Gas: 70.14%	Water: 40%	Oil: 33.33%
Basin Mancos	Gas: 29.86%	Water: 60%	Oil: 66.67%

RCVD MAY 1 '08

OIL CONS. DIV.

DIST. 3

Pools are not included in the NMCD pre-approved pool combinations for DHC in the San Juan Basin & a C107-A was sent on 4/28/08. Ownership is not common in both zones; therefore, interest owners were notified by certified mail, return receipt on 4/4/08. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

DHC pending

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

LORRI D. BINGHAM

Title REGULATORY COMPLIANCE TECH

Signature

Date 4/28/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title GEO

Date 4-30-08

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 FFD

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



Matthew Phillips/FAR/CTOC
01/16/2008 08:58 AM

To: Holly Perkins/FAR/CTOC@CTOC
cc:
bcc:
Subject: DHC Allocations (Martin Gas Com # 1F)

Holly,

I was wanting to see if we could submit this early so that we would not be waiting on the DHC from Santa Fe to first deliver this well. The well is the Martin Gas Com # 1 F (T-27-N, R-10-W, Sec 15) API # 30-045-34385. I am wanting to use the same allocations for this well as we used in the Federal H # 1F. This well is also a Dakota/Mancos is the same 9-section. The zones were tested separately to determine the allocation distribution in the Federal H # 1 F. The allocations used in the Federal H # 1F are as follows:

Mancos

Oil = 66.67%

Water = 60.00%

Gas = 29.86%

Dakota

Oil = 33.33%

Water = 40.00%

Gas = 70.14%

Please let me know if this will or will not work.

Thanks,

Matthew Phillips
Operations Engineer
XTO Energy, Inc.
San Juan Division
(505) 330 - 0775 cell
(505) 333 - 3190 office

DAVID GEORGE SWERER
3333 E FLORIDA AVE #54
DENVER, CO 802100000
MARTIN GAS COM 01F DK (BPO) DHC

DUFF LEACH FAMILY TRUST JUDITH
DUFF LEACH TRUSTEE
PO BOX 30396
ALBUQUERQUE, NM 871900396
MARTIN GAS COM 01F DK (BPO) DHC

FRANCES KLINGAMAN FAIRWINDS
RETIREMENT COMMUNITY
2446 MELODY LN
RENO, NV 895120000
MARTIN GAS COM 01F DK (BPO) DHC

J DAVID MORRIS
8709 58TH AVE
BERWYN HEIGHTS, MD 207404332
MARTIN GAS COM 01F DK (BPO) DHC

JUDITH M ARMSTRONG
6 JANICE DR
WILMINGTON, DE 198103016
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JUNE OQUINN
2740 RYAN PLACE DR
FORT WORTH, TX 761100000
MARTIN GAS COM 01F DK (BPO) DHC

MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298
MARTIN GAS COM 01F DK (BPO) DHC

PATRICIA SWERER GARFIELD
355 EUDORA ST
DENVER, CO 802205721
MARTIN GAS COM 01F DK (BPO) DHC

RICHARD RAYMOND SWERER DAVID
SWERER POA
3333 E FLORIDA AVE #54
DENVER, CO 802100000
MARTIN GAS COM 01F DK (BPO) DHC

SUSAN SWERER KURTZ
3131 CHERRY RIDGE RD
ENGLEWOOD, CO 801136007
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T E DUFF TRUST TED EDWARD DUFF,
TRUSTEE
PO BOX 398
RUIDOSO, NM 883550398
MARTIN GAS COM 01F DK (BPO) DHC

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382 CR 3100
Aztec, NM 87410

April 4, 2008

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling
Martin Gas Com #1F
Unit G, Sec 15, 27N, R10W

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the Basin Dakota and the Basin Mancos pools in the Martin GC #1F. Commingling of these pools will minimize operating costs, add reserves and improve economics of the well.

The proposed allocation percentages for each pool are as follows:

Basin Dakota	Gas: 70.14%	Water: 40%	Oil: 33.33%
Basin Mancos	Gas: 29.86%	Water: 60%	Oil: 66.67%

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between zones. If you need additional information or have any questions, I may be contacted at (505) 333-3100. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lorri D. Bingham'.

Lorri D. Bingham
Regulatory Compliance Tech

xc: well file