

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

JUL 11 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.

5 Lease Serial No.

NMSF-078019

6 If Indian, Allottee or Tribe Name

Bureau of Land Management
Farmington Field Office

SUBMIT IN TRIPLICATE - Other instructions on page 2

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

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8 Well Name and No

EH PIPKIN #9F

2 Name of Operator

XTO Energy Inc.

9 API Well No

30-045-34274

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)

995' FSL & 2010' FWL SEC 35N-T28N-R11W

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

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ 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

COMMINGLING

- 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 recompleate 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 recompleation 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 exception to Rule 303-C to permit downhole commingling of production from the Basin Dakota (71599) and the Wildcat Basin Mancos (97232) pools upon completion of this well. Please see attachments for explanation of allocations that are calculated as follows:

Dakota: Gas: 77% Oil: 34% Water: 43%
Mancos: Gas: 23% Oil: 66% Water: 57%

Pools are included in the NMOC pre-approved pool combinations for DHC in the San Juan Basin and the NMOC has been notified by Form C103. Ownership is common in both pools and notification of owners was not necessary. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

RCVD JUL 15 '08
OIL CONS. DIV.
DIST. 3

DHC 2914 A 2

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

LORRI D. BINGHAM

Title REGULATORY COMPLIANCE TECH

Signature

Date 7/10/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Ged

Date

7-14-08

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

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.

NMOC

~~Ohio C Govt #3F~~
Allocation Percentages

The proposed gas and oil production allocation percentages are based on estimated average ultimate recovery per well of the 18 Dakota wells and 19 Gallup wells in T28N R11W. Water allocation is based on cumulative water production per well. Please see attached Dakota and Gallup E.U.R. analysis.

Proposed Allocation Percentages:

Pool	Oil	Water	Gas
Mancos	66%	57%	23%
Dakota	34%	43%	77%

Basin Dakota Pool (Per well avg. est. ultimate gas, oil and water recovery prod.)

BO	BW	MCF
6,254	2,514	992,685

Wildcat Basin Mancos Pool (Per well avg. est. ultimate gas, oil and water recovery prod.)

BO	BW	MCF
12,369	549	297,504

Dakota and Gallup wells in NE of T28N R11W

API	DB_ID	LEASE NAME	NO	RESERVOIR	SEC	LOCATION	FIELD	OPERATOR	1st PROD	LAST PRC	CUM OIL	REM OIL	CUM GAS	REM GAS	CUM WATER	REM Water	EUR OIL	EUR GAS	EUR WATER
30045238190000	523819	PIPKIN, EH	6E	DAKOTA	36	28 N 11 W	BASIN	XTO ENERGY	19800131	20070201	10,137	347	1,854,239	441,798	4,791	5,379	10,484	2,296,037	10,170
30045237510000		AZTEC	8E	DAKOTA	14	28 N 11 W	BASIN	BURLINGTON RESO	19800601	20061101	3,255	0	955,149	129,110	1,151	0	3,255	1,084,259	1,151
30045243760000	524376	PIPKIN, EH	5E	DAKOTA	36	28 N 11 W	BASIN	XTO ENERGY	19800831	20070201	5,656	347	716,513	175,005	2,986	3,586	6,003	891,518	6,572
30045244060000		OHIO	1E	DAKOTA	22	28 N 11 W	BASIN	CONOCOPHILLIPS C	19810401	20061101	11,795	2,432	1,158,563	285,958	4,107	8,966	14,227	1,444,521	13,073
30045244070000		PHILLIPS	2E	DAKOTA	22	28 N 11 W	BASIN	CONOCOPHILLIPS C	19810401	20061101	11,339	347	970,419	119,023	10,251	4,483	11,686	1,089,442	14,734
30045243600000		ANGEL PEAK B	26E	DAKOTA	25	28 N 11 W	BASIN	BURLINGTON RESO	19810501	20040101	5,146	0	569,604	0	791	0	5,146	569,604	791
30045243350000	516091	OHIO C GOVT	3E	DAKOTA	26	28 N 11 W	BASIN	XTO ENERGY	19810630	20030701	4,767	0	1,052,604	0	5,661	0	4,767	1,052,604	5,661
30045244040000		AZTEC	7E	DAKOTA	14	28 N 11 W	BASIN	BURLINGTON RESO	19810701	20061101	8,453	1,042	891,183	238,047	1,910	897	9,495	1,129,230	2,807
30045244420000		HUGHES	2E	DAKOTA	23	28 N 11 W	BASIN	BURLINGTON RESO	19810701	20061101	9,816	1,737	1,435,672	506,353	2,391	0	11,553	1,942,025	2,391
30045244420000	516575	HUGHES	2E	DAKOTA	23	28 N 11 W	BASIN	BURLINGTON RESO	19810731	20070201	9,874	1,737	1,407,926	536,613	2,455	1,793	11,611	1,944,539	4,248
30045243590000		ANGEL PEAK B	25E	DAKOTA	24	28 N 11 W	BASIN	ENERGEN RESOURC	19811101	20061101	4,625	0	345,562	145,762	1,160	897	4,625	492,324	2,057
30045245160000		ANGEL PEAK	23E	DAKOTA	10	28 N 11 W	BASIN	BURLINGTON RESO	19811201	20061101	3,350	347	822,398	360,096	323	0	3,697	1,182,494	323
30045248300000		EATON FEDERAL	1E	DAKOTA	15	28 N 11 W	BASIN	ENERGEN RESOURC	19811201	20061101	3,443	695	329,206	120,536	1,090	1,793	4,138	449,742	2,883
30045248300000	516445	EATON FEDERAL	1E	DAKOTA	15	28 N 11 W	BASIN	ENERGEN RESO	19811231	20070101	3,443	347	331,579	120,032	1,040	1,793	3,790	451,611	2,833
30045243950000	516089	OHIO C GOVT	2E	DAKOTA	26	28 N 11 W	BASIN	XTO ENERGY	19820228	20070201	1,544	695	296,811	133,145	1,451	8,069	2,239	429,956	9,520
30045255310000		ANGEL PEAK B	24E	DAKOTA	13	28 N 11 W	BASIN	BURLINGTON RESO	19830501	20061101	1,391	347	226,460	70,103	65	897	1,738	296,563	962
30045255300000		ANGEL PEAK B	22E	DAKOTA	13	28 N 11 W	BASIN	BURLINGTON RESO	19830601	20061101	1,728	347	467,035	119,528	53	0	2,075	586,563	53
30045243580000	516079	OHIO A GOVT	2E	DAKOTA	23	28 N 11 W	BASIN	XTO ENERGY	19830731	20070201	1,697	347	343,608	191,648	3,535	5,379	2,044	535,256	8,914
											Post 1980 Average	5,637	618	787,474	205,209	2,512	6,254	992,683	4,952

API	DB_ID	LEASE NAME	NO.	RESERVOIR	SEC	LOCATION	FIELD	OPERATOR	1st PROD	LAST PRC	CUM OIL	REM OIL	CUM GAS	REM GAS	CUM WATER		EUR OIL	EUR GAS	
30045244580000		ANGEL PEAK B	31	GALLUP	25	28 N 11 W	ARMENTA	BURLINGTON RESO	19820801	19900701	4,395	0	53,540	0	42	0	4,395	53,540	42
30045255290000		ANGEL PEAK	24	GALLUP	12	28 N 11 W	ARMENTA	ENERGEN RESOURC	19830401	20061101	7,642	0	235,616	73,129	21	0	7,642	308,745	21
30045255300000		ANGEL PEAK B	22E	GALLUP	13	28 N 11 W	ARMENTA	BURLINGTON RESO	19830401	20061101	2,663	347	401,076	83,720	132	0	3,010	484,796	132
30045255310000		ANGEL PEAK B	24E	GALLUP	13	28 N 11 W	ARMENTA	BURLINGTON RESO	19830401	20061101	3,286	347	269,237	76,155	206	897	3,633	345,392	1,103
30045254910000		ANGEL PEAK B	32	GALLUP	12	28 N 11 W	ARMENTA	BURLINGTON RESO	19830401	20061101	33,603	4,863	293,153	120,536	130	897	38,466	413,689	1,027
30045254920000		ANGEL PEAK B	34	GALLUP	13	28 N 11 W	ARMENTA	BURLINGTON RESO	19830401	20030901	29,518	0	209,605	0	27	0	29,518	209,605	27
30045256060000		EATON FEDERAL	2	GALLUP	15	28 N 11 W	ARMENTA	BURLINGTON RESO	19830501	20061101	42,744	0	247,443	36,312	129	0	42,744	283,755	129
30045256540000		ANGEL PEAK B	37	GALLUP	24	28 N 11 W	ARMENTA	BURLINGTON RESO	19830601	19870701	191	0	69,314	0	100	0	191	69,314	100
30045255820000		ANGEL PEAK B	38	GALLUP	24	28 N 11 W	ARMENTA	ENERGEN RESOURC	19830601	20061101	1,097	0	101,888	25,721	129	0	1,097	127,609	129
30045256990000		ANGEL PEAK	27	GALLUP	11	28 N 11 W	ARMENTA	BURLINGTON RESO	19830701	19981101	8,347	0	258,296	0	3	0	8,347	258,296	3
30045257000000		ANGEL PEAK	28	GALLUP	11	28 N 11 W	ARMENTA	BURLINGTON RESO	19830701	20061101	21,679	1,737	437,618	233,507	670	0	23,416	671,125	670
30045256980000		ANGEL PEAK	29	GALLUP	10	28 N 11 W	ARMENTA	BURLINGTON RESO	19830801	20061101	12,547	1,390	244,161	72,624	139	0	13,937	316,785	139
30045256690000		ANGEL PEAK B	43	GALLUP	25	28 N 11 W	ARMENTA	BURLINGTON RESO	19830801	20061101	14,609	1,042	405,430	147,266	442	897	15,651	552,696	1,339
30045257390000		ANGEL PEAK B	35	GALLUP	25	28 N 11 W	ARMENTA	BURLINGTON RESO	19830901	20061101	2,687	347	216,764	98,850	213	897	3,034	315,614	1,110
30045256870000		ANGEL PEAK B	36	GALLUP	25	28 N 11 W	ARMENTA	BURLINGTON RESO	19830901	20061101	19,432	0	298,789	77,163	884	0	19,432	375,952	884
30045256860000		ANGEL PEAK B	44	GALLUP	24	28 N 11 W	ARMENTA	ENERGEN RESOURC	19830901	20061101	812	0	161,716	54,468	148	0	812	216,184	148
30045256680000		ANGEL PEAK B	45	GALLUP	24	28 N 11 W	ARMENTA	BURLINGTON RESO	19830901	19960701	1,114	0	102,575	0	87	0	1,114	102,575	87
30045257370000		MANGUM	5	GALLUP	10	28 N 11 W	ARMENTA	BURLINGTON RESO	19831101	20061101	8,561	0	173,407	36,817	170	0	8,561	210,224	170
30045074110000	516113	OHIO GOVT	2	GALLUP	15	28 N 11 W	ARMENTA	XTO ENERGY	19921031	20070201	5,839	4,169	186,394	150,292	6,764	108,486	10,008	336,686	115,250
											Gallup Average (all are post 1980 wells)	11,619	750	229,791	67,714	549	12,369	297,504	6,448

EUR OIL	EUR GAS	EUR Water
% Gallup	% Gallup	% Gallup
66%	23%	57%
%Dakota	%Dakota	%Dakota
34%	77%	43%

The allocation based on EUR is considered more representative of expected production than allocation based on the daily rate