Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

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

Lease Serial No

NMSF-080382A

6 If Indian, Allottee or Tribe Name

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 7 If Unit or CA/Agreement, Name and/or No. Bureau of Land Management 1. Type of Well Farmington Field Offic Well Name and No. Oil Well X Gas Well Other SCHWERDTFEGER 8 #2E 2. Name of Operator XIO Energy Inc. 9. API Well No 3a Address 3b. Phone No. (include area code) 30-045-32230 382 CR 3100 AZTEC, NM 87410 505-333-3100 10 Field and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) BASIN DAKOTA 935' FNL & 1845' FEL NWNE SEC 8B-T27N-R11W 11 County or Parish, State SAN JUAN CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New Construction Other 1ST DELIVERY Recomplete Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection 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 final site is ready for final inspection) XTO Energy Inc. 1st Delivered this well to Enterprise @ 1:30 pm on 03/28/2008. IFR of 750 MCFPD. RCUD MAY 22'08 OIL CONS. DIV. DIST. 3 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title DOLENA JOHNSON OFFICE CLERK Date 03/31/2008 THIS SPACE FOR FEDERAL OR STATE OFFICE USE TED FOR NECONI Title Approved by Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that Office FARMINGTON FIELD OFFICE

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

the applicant holds legal or equitable title to those rights in the subject lease which would

entitle the applicant to conduct operations thereon