

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.

RECEIVED

MAR 03 2009

SUBMIT IN TRIPLICATE - Other instructions on page 2

Bureau of Land Management
Farmington Field Office

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Serial No. NOC-C-14-20-3609
2. Name of Operator XTO Energy Inc.		6. If Indian, Allottee or Tribe Name HUN NE PAH
3a. Address 382 CR 3100 Aztec, NM 87410	3b. Phone No (include area code) 505-333-3100	7. If Unit or CA/Agreement, Name and/or No. 919
4. Location of Well (Footage, Sec, T., R., M., or Survey Description) 660' FNL & 1960 FWL SEC 10C-T25N-R11W N.M.P.M.		8. Well Name and No. HUN NE PAH #1F
		9. API Well No. 30-045-34292
		10. Field and Pool, or Exploratory Area BASIN MANCOS/BASIN DAKOTA
		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			
<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 checked="" type="checkbox"/> Other <u>DOWNHOLE</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>COMMINGLE</u>
	<input type="checkbox"/> Convert to Injection	<input 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 recomple 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 recomple 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 NMOC Rule 303-C to permit DHC of production from the Basin Dakota (71599) & the Basin Mancos (97232) in the Hun Ne Pah #1F. XTO proposes to downhole commingle these pools upon completion of this well.

The allocations are based on production from two nearby wells (please see attached spreadsheet) & are calculated as follows:

Basin Dakota:	Gas: 61%	Oil: 2%	Water: 22%
Basin Mancos	Gas: 39%	Oil: 100% 98%	Water: 78%

Note: Changes
in Red

NMOC has been notified of our intent by submission of form C-107A. Interest owners are common in all zones therefore notification to 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.

2009 MAR 5 '09
OIL CONS. DIV.
DIST. 3

DHC Pending

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) LORRI D. BINGHAM	Title SR. REGULATORY COMPLIANCE TECH
Signature 	Date 3/2/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Joe Hewitt	Title ECO	Date 3-4-09
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.

HUN NE T4H #1F

There have been 2 wells, Canyon 17 and Canyon 19, completed into the Gallup after having established production in the Dakota in T25N R11W. These wells were used in establishing allocation factors for future commingling.

Canyon 17

Added the Gallup in July 2006

Stabilized Gallup Only Production

	BOPM	MCFPM	GAS	BWPM
	OIL			
9/30/06	13		425	1847
10/31/06	206		260	1410
11/30/06	113		208	2055
12/31/06	303		641	1685
1/31/07	170		635	325
2/28/07	124		124	0
3/31/07	67		81	1720
Average	142		339	1292

Dakota Only Production 6 mos prior to add pay

	BOPM	MCFPM	GAS	BWPM
Dakota	OIL			
12/31/2005	8		343.14	0
1/31/2006	0		373.53	0
2/28/2006	8		611.77	0
3/31/2006	2		320.59	0
4/30/2006	5		408.83	80
5/31/2006	2		424.51	0
Average	4		414	13

Percent Gallup			Percent Dakota		
OIL	GAS	WATER	OIL	GAS	WATER
97%	45%	99%	3%	55%	1%

Canyon 19

Added the Gallup in April 2006

Stabilized Gallup Only Production

	BOPM	MCFPM	GAS	BWPM
Gallup	OIL			
9/30/06	497		609	80
10/31/06	392		790	0
11/30/06	612		1095	0
12/31/06	366		904	0
1/31/07	309		777	0
2/28/07	429		760	0
Average	434		823	13

Dakota Only Production 6 mos prior to add pay

	BOPM	MCFPM	GAS	BWPM
Dakota	OIL			
10/31/2005	14		1605.9	0
11/30/2005	8		2027.47	0
12/31/2005	2		1800.01	60
1/31/2006	5		1789.23	0
2/28/2006	3		1416.68	0
3/31/2006	7		1590.21	0
Average	7		1705	10

Percent Gallup			Percent Dakota		
OIL	GAS	WATER	OIL	GAS	WATER
99%	33%	57%	1%	67%	43%

Average Gallup-Dakota Allocation in T25N R11W

Percent Gallup			Percent Dakota		
OIL	GAS	WATER	OIL	GAS	WATER
98%	39%	78%	2%	61%	22%

DISTRICT I
1625 N French Dr, Hobbs, NM 88240
DISTRICT II
1301 W Grand Avenue, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
1220 S. St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-107A
Revised June 10, 2003

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

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION FOR DOWNHOLE COMMINGLING

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

HUN NE PAH #1F SEC 10C- T25N-R11 W SAN JUAN
Lease Well No Unit Letter-Section-Township-Range County

OGRID No 5380 Property Code 22748 API No 30-045-34292 Lease Type X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN MANCOS		BASIN DAKOTA
Pool Code	97232		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4851' - 5034'		5833' - 5930'
Method of Production (Flowing or Artificial Lift)	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)			
Producing, Shut-In or New Zone	NEW WELL		NEW WELL
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: 100% 98%	Gas: 39%	Oil: 0% 2% Gas: 61%

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 X No

NMOCD Reference Case No applicable to this well:

- ATTACHMENTS.
- C-102 for each zone to be commingled 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 Lorri D. Bingham TITLE SR. REG COMPLIANCE TECH DATE 3/2/09
TYPE OR PRINT NAME LORRI D. BINGHAM TELEPHONE NO. (505) 333-3204
E-MAIL Lorri.bingham@xtoenergy.com