

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

OCT 28 2010

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)

505-333-3630

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

800' FSL & 990' FWL SWSW SEC. 25 (M) - T29N-R10W N.M.P.M.

5. Lease Serial No.

NMSF-081061

6. If Indian, Allottee or Tribe Name

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

NMM-73762 BASIN DAKOTA

NMM-76376 BLANCO MESAVERDE

8. Well Name and No.

HARE GAS COM C #1

9. API Well No.

30-045-07771

10. Field and Pool, or Exploratory Area

BASIN DAKOTA

BLANCO MESAVERDE

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

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <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 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 requests an exception to NMOC Rule 303A to permit DHC of production from the Basin Dakota (71599) pool & the Blanco Mesaverde (72319) pool. XTO proposes to DHC the two pools upon approval of this application. Please see the attached spreadsheet for justification of the following proposed allocations:

Baskin Dakota	Gas: 15%	Oil: 41%	Water: 23%
Blanco Mesaverde	Gas: 85%	Oil: 59%	Water: 77%

Ownership in pools is diverse and notification was made to owners by CRR on 10/07/2010. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. NMOC was notified of our intent via Form C-103 on 10/27/2010.

DHC #3498 A2

RCVD NOV 5 '10
OIL CONS. DIV.
DIST. 3

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

WANETT MCCAULEY

Title REGULATORY COMPLIANCE TECHNICIAN

Signature

Wanett McCauley

Date

10/27/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hunt

Title

GCO

Date

11-11-10

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.

Here Gas Com C #1 DHC Allocations

Formation	Avg gas prod (Mc/day)	% of Total Gas Prod	Avg oil prod (bopd)	% of Total Oil Prod	Avg H ₂ O prod (bwpd)	% of Total Water Prod
Dakota	37	15%	0.06	41%	0.65	23%
Mesaverde	213	85%	0.08	59%	2.13	77%
Sum:	250	100%	0.14	100%	2.78	100%

Hare Gas Com C #1

Dakota Production

Average Dakota Daily Production

37 mcf/day

0.06 bopd

0.65 bwpd

Month	Gas Produced	Oil Produced	Water Produced	Days Produced
January-09	1548	6	83	31
February-09	1065	1	0	28
March-09	1285	2	0	31
April-09	998	3	35	30
May-09	903	0	0	31
June-09	902	1	0	30
July-09	1135	1	40	31
August-09	1231	0	0	31
Sum	9067	14	158	243

Hare Gas Com C #1**Mesaverde Production****Average Mesaverde Daily Production**

213 mcf/day

0.08 bopd

2.13 bwpd

Month	Gas Produced	Oil Produced	Water Produced	Days Produced
March-10	7634	0	90	31
April-10	6161	0	40	30
May-10	5956	2	40	31
June-10	6175	8	90	30
Sum	25926	10	260	122