

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway Farmington, New Mexico 87401

IN REPLY REFER TO:

NMNM-03153 (WC) 3162.3-2 (21110)

January 25, 2011

Ms. Cheryl Moore XTO Energy Inc. 328 CR 3100 Aztec. NM 87410

RCVD JAN 28'11 OIL CONS. DIV. DIST. 3

Dear Ms. Moore:

Reference is made to the following well No. 1 O.H. Randell located 990' FNL & 990' FEL sec. 10, T. 26 N., R. 11 W., San Juan County, New Mexico, Lease NMNM-03153, API # 3004505959. This office has recently discovered a temporally abandon well located on your lease. This well was drilled by Lucerne Corp. which now a defunct corporation to the Pictured Cliffs formation, tested and temporally abandon in 1952. Therefore as lessee of the lease referenced above, XTO Energy Inc. (XTO) is ultimately responsible to take action on this well. As lessee of record, you are required to bring this well into full compliance with BLM requirements. You are required to submit plans for the well by February 28, 2011.

Failure to comply within the time above may result in an assessment in accordance with 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management (NM-93000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions please contact Stephen Mason with this office at (505) 599-6364.

Sincerely,

Original Signed: Stephen Mason

Stephen Mason
Petroleum Engineer, Petroleum Management Team

cc: NMOCD