

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM 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**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

FEB 11 2011

2. Name of Operator  
XTO ENERGY INC.

Termination Field Office  
Bureau of Land Management

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)  
950' FSL & 2205' FEL SWSE Sec. 33 (O) - T26N-R11W N.M.P.M.

5. Lease Serial No.

NOOC14203622

6. If Indian, Allottee or Tribe Name

NAVAJO

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

MM75915

8. Well Name and No.

GALLEGOS #4

9. API Well No.

30-045-21291

10. Field and Pool, or Exploratory Area  
BASIN DAKOTA/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

<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 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. requests approval for an exception to NMOC Rule 19.15.12.9 to permit DHC of production from the Basin Dakota (71599) & the Basin Mancos (97232) pools in the Gallegos #4. XTO proposes to downhole commingle these pools upon completion of the Mancos. Please see attached spreadsheet for justification of proposed allocations. Recommended allocations are:

Basin Mancos:	Oil: 100%	Gas: 71%	Water: 88%
Basin Dakota:	Oil: 0%	Gas: 29%	Water: 12%

Ownership is common in both zones; therefore, there are no owners to notify of our intent to DHC. Both pools are in the NMOC pre-approved pool combinations for DHC in the San Juan Basin per order R-12984-A. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The NMOC was notified of our intent to DHC via Form C-103 on 2/10/2011.

RCVD FEB 17 '11  
OIL CONS. DIV.  
DIST. 3

DHC 3534A2

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

WANETT MCCAULEY

Title REGULATORY COMPLIANCE TECHNICIAN

Signature

*Wanett McCauley*

Date 2/10/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

*Joe Hermit*

Title

Geo

Date

2-11-11

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

FF6

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

### Expected Mancos Production:

Based on opening the Mancos in the Gallegos 4E in this section, well is expected to have similar production response.

Stabilized production after 1 yr of production when Gallup added to Gallegos 4E

	OIL	GAS	WATER
2/29/2008	272	1240	57
3/31/2008	138	1244	57
4/30/2008	102	861	57
5/31/2008	159	1048	57
6/30/2008	140	1013	57
7/31/2008	195	1206	57
Average	168	1102	57

### Current Dakota Production:

	OIL	GAS	WATER
8/31/2009	0	487	0
9/30/2009	0	468	0
10/31/2009	0	472	45
11/30/2009	0	446	0
12/31/2009	0	318	0
1/31/2010	0	557	0
Average	0	458	8

### Allocation:

	Percent		
	OIL	GAS	WATER
Mancos	100%	71%	88%
Dakota	0%	29%	12%
Total	100%	100%	100%