

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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.

SEP 29 2011

Farmington Field Office

Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well ☐ Oil Well ☒ Gas Well ☐ Other		15 Lease Serial No. NM-03551
2 Name of Operator XTO ENERGY INC.		6 If Indian, Allottee or Tribe Name N/A
3a Address 382 CR 3100 AZTEC, NM 87410	3b. Phone No. (include area code) 505-333-3630	7 If Unit or CA/Agreement, Name and/or No. N/A
4 Location of Well (Footage, Sec., T, R, M., or Survey Description) 880' ENL & 1140' FWL NWNW SEC. 3 (D) - T26N-R06W N.M.P.M.		8 Well Name and No BREECH E #89F
		9 API Well No 30-039-31002
		10 Field and Pool, or Exploratory Area BASIN DK/BLANCO MV/BASIN MC
		11 County or Parish, State RIO ARriba NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other <u>DOWNHOLE</u>
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	<u>COMMINGLE</u>
	☐ Convert to Injection	☐ Plug Back	☐ 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 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 to downhole commingle this well per NMCD Rule 19.15.12.11 C(2) in the Basin Dakota (71599), Blanco Mesaverde (72319) & Basin Mancos (97232) pools. XTO proposes to downhole commingle these pools upon completion. Please see the attached spreadsheet for justification of the following proposed allocations:

Basin Dakota	Oil: 16%	Gas: 42%	Water: 75%
Blanco Mesaverde	Oil: 26%	Gas: 20%	Water: 8%
Basin Mancos	Oil: 58%	Gas: 38%	Water: 17%

RCVD OCT 4 '11

OIL CONS. DIV.

DIST. 3

Pools are not in the NMCD pre-approved pool combinations for downhole commingle in the San Juan Basin and the NMCD was notified of our intent via Form C-107A on 9/28/2011. Ownership is common in all zones; therefore, there are no owners to notify of our intent to DHC. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

DNC 4471

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

Name (Printed/Typed)

WANETT MCCAULEY

Title REGULATORY COMPLIANCE TECHNICIAN

Signature

Wanett McCauley

Date 9/28/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title

Geo

Date

9-30-11

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

FFD

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.

NMCD
W

Breach E 89F - Allocations (Using XTO Wells in 26N 6W and 27N 6W)

Modern Dakota Wells Drilled after 1990

LEASE NAME	NO	RESERVOIR	SECTION	TOWNSHIP	RANGE	FIELD	OPERATOR	1st PROD	LAST PROD	DAYS ON	CUMUL	CUMUL	CUMUL	EUR	EUR	AVERAGE
											OIL (BBL)	GAS (MCF)	WATER (BBL)	OIL (MBO)	GAS (MMCF)	WATER (BBL/D)
BREECH F	8M (NPI)	DAKOTA	34	27 N	6 W	BASIN	XTO ENERGY	19980531	20101201	4378	2562	440750	797	3 05	595 04	0 18
STATE B COM	233R (NPI)	DAKOTA	16	26 N	6 W	BASIN	XTO ENERGY	19940731	20101201	5296	2570	780973	1020	3 24	1034 18	0 19
BREECH F	1F (NPI)	DAKOTA	33	27 N	6 W	BASIN	XTO ENERGY	19990228	20101201	4116	1628	663895	2088	2 23	1059 07	0 51
BREECH A	132R (NPI)	DAKOTA	9	26 N	6 W	BASIN	XTO ENERGY	20010531	20101201	3087	1454	1128535	48449	2 14	2663 71	15 69
BREECH A	136F (NPI)	DAKOTA	10	26 N	6 W	BASIN	XTO ENERGY	20010531	20101201	3445	2698	853163	33820	4 08	1913 61	9 82
BREECH C	144E (NPI)	DAKOTA	12	26 N	6 W	BASIN	XTO ENERGY	19901231	20101201	5998	849	489660	652	0 97	648 45	0 11
BREECH B	147 (NPI)	DAKOTA	7	26 N	6 W	BASIN	XTO ENERGY	20030831	20101201	1281	1276	174534	910	6 07	799 67	0 71
BREECH C	303 (NPI)	DAKOTA	13	26 N	6 W	BASIN	XTO ENERGY	20040930	20101201	2200	1108	345665	723	3 42	954 24	0 33
BREECH E	850 (NPI)	DAKOTA	5	26 N	6 W	BASIN	XTO ENERGY	20040930	20101201	2139	1071	267866	624	2 17	503 42	0 29
BREECH E	65 (NPI)	DAKOTA	5	26 N	6 W	BASIN	XTO ENERGY	20060331	20101201	1709	227	183675	884	0 41	405 40	0 52
BREECH E	79 (NPI)	DAKOTA	1	26 N	6 W	BASIN	XTO ENERGY	20060131	20101201	1601	169	68581	435	0 17	177 89	0 27
BREECH C	392 (NPI)	DAKOTA	13	26 N	6 W	BASIN	XTO ENERGY	20060228	20101201	1761	4304	609403	1582	8 78	1632 76	0 90
BREECH C	828 (NPI)	DAKOTA	13	26 N	6 W	BASIN	XTO ENERGY	20060228	20101201	1786	1149	218741	742	3 26	643 87	0 42
BREECH A	158 (NPI)	DAKOTA	10	26 N	6 W	BASIN	XTO ENERGY	20070531	20101201	1308	176	154887	593	0 18	649 91	0 45
BREECH F	16 (NPI)	DAKOTA	33	27 N	6 W	BASIN	XTO ENERGY	20070630	20101201	1036	438	133802	373	0 44	743 06	0 36
BREECH F	2 (NPI)	DAKOTA	33	27 N	6 W	BASIN	XTO ENERGY	20070531	20100801	1167	1315	200477	955	4 00	872 14	0 82
STATE A	77 (NPI)	DAKOTA	2	26 N	6 W	BASIN	XTO ENERGY	20071130	20101201	1101	374	206370	791	1 27	851 74	0 72
BREECH	228M (NPI)	DAKOTA	18	26 N	6 W	BASIN	XTO ENERGY	19991231	20101201	3855	1691	479453	1032	2 70	891 54	0 27
BREECH	812M (NPI)	DAKOTA	18	26 N	6 W	BASIN	XTO ENERGY	19991231	20101201	3930	1480	480166	780	2 31	906 44	0 20
Average														2 68	944 53	1 72

Modern Mesaverde Wells Drilled after 1990

LEASE NAME	NO	RESERVOIR	SECTION	TOWNSHIP	RANGE	FIELD	OPERATOR	1st PROD	LAST PROD	DAYS ON	CUMUL	CUMUL	CUMUL	EUR	EUR	AVERAGE
											OIL (BBL)	GAS (MCF)	WATER (BBL)	OIL (MBO)	GAS (MMCF)	WATER (BBL/D)
BREECH	812M (NPI)	MESAVERDE	18	26 N	6 W	BLANCO	XTO ENERGY	19991231	20101201	3928	4684	261521	1210	7 10	479 72	0 31
BREECH	228M (NPI)	MESAVERDE	18	26 N	6 W	BLANCO	XTO ENERGY	19991231	20101201	3857	3588	250402	1261	5 59	450 24	0 33
BREECH E	850 (NPI)	MESAVERDE	5	26 N	6 W	BLANCO	XTO ENERGY	20060630	20101201	1574	681	73056	60	2 25	166 20	0 04
BREECH F	8M (NPI)	MESAVERDE	34	27 N	6 W	BLANCO	XTO ENERGY	19980531	20101201	4378	781	125566	512	0 91	157 81	0 12
BREECH E	118E (NPI)	MESAVERDE	1	26 N	6 W	BLANCO	XTO ENERGY	19961031	20101201	5048	2606	540226	656	4 95	1111 10	0 13
BREECH C	144E (NPI)	MESAVERDE	12	26 N	6 W	BLANCO	XTO ENERGY	19971231	20101201	4462	1890	246010	860	2 77	398 08	0 19
BREECH C	144 (NPI)	MESAVERDE	12	26 N	6 W	BLANCO	XTO ENERGY	19981231	20101201	4313	3851	197881	925	6 73	336 72	0 21
Average														4 33	442 84	0 19

Modern Mancos Wells Drilled after 1990

LEASE NAME	NO	RESERVOIR	SECTION	TOWNSHIP	RANGE	FIELD	OPERATOR	1st PROD	LAST PROD	DAYS ON	CUMUL	CUMUL	CUMUL	EUR	EUR	AVERAGE
											OIL (BBL)	GAS (MCF)	WATER (BBL)	OIL (MBO)	GAS (MMCF)	WATER (BBL/D)
BREECH F	1F (NPI)	MANCOS	33	27 N	6 W	BLANCO	XTO ENERGY	19990228	20101201	4136	10610	558552	16160	13 657	911 895	3 91
STATE B COM	233R (NPI)	MANCOS	16	26 N	6 W	BLANCO	XTO ENERGY	19940731	20101201	5266	6644	1004217	98	8 849	1406 868	0 02
STATE COM	113 (NPI)	MANCOS	2	26 N	6 W	BLANCO	XTO ENERGY	19971130	20101201	3985	12844	275036	363	15 136	493 912	0 09
BREECH A	136 (NPI)	MANCOS	10	26 N	6 W	BLANCO	XTO ENERGY	19980331	20101201	4339	11417	133010	269	12 144	250 247	0 06
BREECH C	144E (NPI)	MANCOS	12	26 N	6 W	BLANCO	XTO ENERGY	19901130	20101201	6270	1118	190895	42	1 118	228 704	0 01
BREECH E	79 (NPI)	MANCOS	1	26 N	6 W	BLANCO	XTO ENERGY	20061130	20101201	1377	141	37084	41	0 141	159 726	0 03
BREECH D	240E (NPI)	MANCOS	15	26 N	6 W	BLANCO	XTO ENERGY	20050930	20101201	1859	2529	288675	75	6 969	910 33	0 04
BREECH E	65 (NPI)	MANCOS	5	26 N	6 W	BLANCO	XTO ENERGY	20071031	20101201	1180	686	73005	74	2 116	311 944	0 06
STATE COM	113E (NPI)	MANCOS	2	26 N	6 W	BLANCO	XTO ENERGY	20060430	20101201	1573	236	80802	240	0 614	244	0 15
BREECH E	850 (NPI)	MANCOS	5	26 N	6 W	BLANCO	XTO ENERGY	20051031	20101201	1762	687	96407	510	1 169	302 888	0 29
BREECH D	685E (NPI)	MANCOS	11	26 N	6 W	BLANCO	XTO ENERGY	20060131	20101201	1802	3794	276060	171	8 836	863 72	0 09
BREECH C	244E (NPI)	MANCOS	14	26 N	6 W	BLANCO	XTO ENERGY	20060228	20101201	1786	4089	317459	86	12 733	934 921	0 05
BREECH A	136F (NPI)	MANCOS	10	26 N	6 W	BLANCO	XTO ENERGY	20040731	20101201	2311	14249	1288401	2352	27 434	3476 366	1 02
BREECH B	147 (NPI)	MANCOS	7	26 N	6 W	BLANCO	XTO ENERGY	20041031	20101201	2258	2460	280919	411	6 146	683 735	0 18
BREECH E	58M (NPI)	MANCOS	3	26 N	6 W	BLANCO	XTO ENERGY	20030731	20101201	2653	5103	298295	86	8 357	937 712	0 03
BREECH D	140M (NPI)	MANCOS	11	26 N	6 W	BLANCO	XTO ENERGY	20051130	20101201	1872	6009	392203	376	10 474	1136 386	0 20
BREECH E	50E (NPI)	MANCOS	5	26 N	6 W	BLANCO	XTO ENERGY	20040131	20101201	2322	5140	260727	127	10 275	740 29	0 05
STATE A	62M (NPI)	MANCOS	2	26 N	6 W	BLANCO	XTO ENERGY	20021130	20101201	2656	3422	205832	216	11 985	654 375	0 08
BREECH C	689M (NPI)	MANCOS	12	26 N	6 W	BLANCO	XTO ENERGY	20031130	20101201	2668	905	177330	112	1 22	269 058	0 04
BREECH F	8M (NPI)	MANCOS	34	27 N	6 W	BLANCO	XTO ENERGY	20021231	20101201	2810	2484	220946	120	4 494	491 283	0 04
BREECH A	132R (NPI)	MANCOS	9	26 N	6 W	BLANCO	XTO ENERGY	20040930	20101201	2245	20885	727681	4069	41 484	2138 046	1 81
Average														99 78	835 54	20 39

Allocations

	Oil	Gas	Water
Dakota	16%	42%	75%
Mesaverde	26%	20%	8%
Mancos	58%	38%	17%