

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**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.5. Lease Serial No.
NMSF047039B

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
FEDERAL E 1F

2. Name of Operator

XTO ENERGY INC

Contact: HOLLY C PERKINS

E-Mail: Regulatory@xtoenergy.com

9. API Well No.

30-045-32638-00-X1

3a. Address

2700 FARMINGTON AVE., BLDG K, SUITE 1
FARMINGTON, NM 87401

3b. Phone No. (include area code)

Ph: 505-324-1090
Fx: 505-564-670010. Field and Pool, or Exploratory
BASIN DAKOTA
OTERO CHACRA

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

Sec 17 T28N R10W NWNE 675FNL 1770FEL

11. County or Parish, and State

SAN JUAN COUNTY, 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
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Subsurface Commingling
	☐ 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 site is ready for final inspection.)

XTO Energy Inc. requests permission to downhole commingle production from the Basin Dakota pool (71599) and the Otero Chacra pool (82329). XTO will spud this well in March, 2005 and proposes to downhole commingle these pools upon completion of the well. The proposed allocations are based on an individual pool average EUR's in the immediate area. See attachments for supporting documentation and plats for this well. Based upon the average EUR's XTO proposes to allocate the commingled production as follows:

Basin Dakota	Gas 86%	Oil 100%	Water 100%
Otero Chacra	Gas 14%	Oil 0%	water 0%

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

Ownership in the well's pools is not common and notification by certified mail to WI, ORRI and NRI owners has been completed. No objections were received. Downhole commingling will offer an

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

Electronic Submission #54831 verified by the BLM Well Information System
For XTO ENERGY INC, sent to the Farmington
Committed to AFMSS for processing by MATTHEW HALBERT on 03/21/2005 (05MXH049052)

Name (Printed/Typed) HOLLY C PERKINS

Title REGULATORY COMPLIANCE TECH

Signature (Electronic Submission)

Date 03/08/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #54831 that would not fit on the form

32. Additional remarks, continued

economic method of production while protecting against reservoir damage, waste of reserves and violation of correlative rights. An application for DHC has been filed with the NMOCD.



2700 Farmington Ave, K-1 Farmington, NM 87401
Phone: (505) 324-1090 FAX: (505) 564-6700

March 7, 2005

Mr. Charlie Perrin, Acting District Supervisor
Mr. Steve Hayden, District Geologist
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Subject: Request for Exception to Rule 303C DHC
Federal E #1F
Sec 17B, T28N, R10W; 675' FNL & 1770' FEL
Basin Dakota (71599) & Otero Chacra (82329)
San Juan County, NM

Dear Mr. Perrin and Mr. Hayden:

XTO Energy Inc. requests administrative approval for an exception to Rule 303-C to permit the downhole commingling of production in the referenced well from the Basin Dakota (71599) and the Otero Chacra (82329) pools. Both pools are included in the pre-approved pools listing. We have included for your reference an NMOCD Form C103/sundry and C102/plats for the acreage dedication for each pool and supporting data for the allocation.

The proposed allocations are based on an individual pool average EUR of wells located in a nine section surrounding area. Based upon the average EUR, XTO proposes to allocate the commingled production as follows:

Basin Dakota (71599)	Gas 86%	Oil 100%	Water 100%
Otero Chacra (82329)	Gas 14%	Oil 0%	Water 100%

The ownership (WI, NRI & ORRI) of these pools is not identical and owner notification by certified, return receipt letter has been completed. There are federal lands related to this well's pools and notification to the BLM has been sent on form 3160-5.

Downhole commingling in this manner will offer an economic method of production while protecting against reservoir damage, waste of reserves and violation of correlative rights. Should you require any additional information please contact me at (505) 324-1090.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Holly C. Perkins'.

Holly C. Perkins
Regulatory Compliance Tech
xc: FTW land
Well file

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: DOWNHOLE COMMINGLE ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy, Inc. is requesting an administrative approval for an exemption to Rule 303-C to permit downhole commingling of production from the Basin Dakota pool (71599), the Otero Chacra pool (82329). Both pools are included in the pre-approved pools established by Division Order R-11363. XTO will spud this well in March 2005 and proposes to downhole commingle these pools upon completion of the well. The proposed allocations are based on an individual pool average EUR of wells located in a nine section surrounding area. See attachments for supporting documentation and plats for this well. Based upon the average EUR, XTO proposes to allocate the commingled production as follows:

Pool	Gas	Oil	Water
Basin-Dakota	86%	100%	100%
Otero-Chacra	14%	0%	0%

Ownership in this well's pools is not common and notification by certified mail to WI, ORRI and NRI owners has been completed. No objections were received. Downhole commingling will offer an economic method of production while protecting against reservoir damage, waste of reserves, and protecting correlative rights. A sundry notice of intent to DHC has been filed with the BLM.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or checked according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Holly C. Perkins TITLE: REGULATORY COMPLIANCE TECH DATE 03/07/05

Type or print name Holly C. Perkins E-mail address: holly_perkins@xtoenergy.com Telephone No. 505 564-6720

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____

DISTRICT I
N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-32638		*Pool Code 87329		*Pool Name OTERO CHACRA	
*Property Code		*Property Name Federal E		*Well Number 1F	
*OGRD No. 167067		*Operator Name XTO ENERGY INC.		*Elevation 5797'	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	17	2B-N	10-W		675	NORTH	1770	EAST	SAN JUAN,

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres 160 NE/4			*Joint or Infill		*Consolidation Code		*Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

		17 OPERATOR CERTIFICATION	
		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
		Signature: <u>Jeffrey W. Patton</u>	
		Printed Name: <u>JEFFREY W PATTON</u>	
		Title: <u>DRILLING ENGINEER</u>	
		Date: <u>10-15-04</u>	
		18 SURVEYOR CERTIFICATION	
		I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and the same is true and correct to the best of my knowledge and belief.	
		Date of Survey: <u>10-15-04</u>	
		Signature: <u>[Signature]</u>	
		Professional Seal:	
		Certificate Number: <u>14831</u>	

DISTRICT I
1626 E. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1900 N. Broadway Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APN Number 30-045-32638		Pool Code 71599		Pool Name Basin Dakota	
Property Code		Property Name Federal E		Well Number 1F	
OCD No. 1107067		Operator Name XTO ENERGY INC.		Elevation 5797'	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
B	17	28-N	10-W		675	NORTH	1770	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres E 12 320.00		Acres or less		Conservation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	QTR. CORNER FD 3/8" REBAR NO CIP N 89-59-48 W 2648.5' (M)	675'	1770'	SEC. CORNER FD 2 1/2" BC U.S.G.L.S. 1943	17	LAT: 36°40'04" N (NAD 27) LONG: 107°54'55" W (NAD 27)	S 89-02-48 W 2640.0' (M)	17
								OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>[Signature]</i> Drilling Assistant Date: 9/17/04
18	QTR. CORNER FD 2 1/2" BC U.S.G.L.S. 1913							18
								SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief. Date of Survey: _____ Signature: _____  Certificate Number: 14831

Federal E 1F Allocation

Well	No	Operator	Sec	Unit	Twn	Rng	Reservoir	Location	Gas Cum (mmcf)	Oil Cum (mbo)	Water Cum (mb)	Gas EUR (mmcf)	Oil EUR (mmcf)
Chacra													
DAY GAS COM	1	XTO ENERGY INCORPORATED	7	P	28N	10W	Chacra		82	0	2	468	0
ANGEL PEAK	22	ENERGEN RESOURCES CORPORATION	7		28N	10W	Chacra		363	0	16	444	0
KUTZ FEDERAL GAS COM A	1	XTO ENERGY INCORPORATED	8	M	28N	10W	Chacra		392	0	1	552	0
DAY J	5	ENERGEN RESOURCES CORPORATION	8		28N	10W	Chacra		265	0	19	382	0
MEXICO FEDERAL S	1	FOUR STAR OIL & GAS COMPANY	9	O	28N	10W	Chacra		277	0	0	413	0
CAIN COM	12E	BURLINGTON RESOURCES O&G CO LP	16	O	28N	10W	Chacra		538	0	0	848	0
CAIN	9E	BURLINGTON RESOURCES O&G CO LP	16	D	28N	10W	Chacra		11	0	0	366	0
CAIN	23	BURLINGTON RESOURCES O&G CO LP	16	A	28N	10W	Chacra		393	0	0	501	0
CONGRESS LACHMAN	4E	ENERGEN RESOURCES CORPORATION	18	C	28N	10W	Chacra		368	0	0	524	0
J F DAY D	1	XTO ENERGY INCORPORATED	20	B	28N	10W	Chacra		112	0	2	465	0
J F DAY D	1E	XTO ENERGY INCORPORATED	20	P	28N	10W	Chacra		158	0	1	298	0
Average												478	0
Dakota													
DAY GAS COM	1E	XTO ENERGY INCORPORATED	7		28N	10W	Dakota		605	4	1	1,421	6
DAY GAS COM	1	XTO ENERGY INCORPORATED	7	P	28N	10W	Dakota		1,607	9	0	1,684	10
MEXICO FEDERAL K	1E	FOUR STAR OIL & GAS COMPANY	8	N	28N	10W	Dakota		1,218	7	2	1,567	8
MEXICO FEDERAL K	1	FOUR STAR OIL & GAS COMPANY	9	M	28N	10W	Dakota		4,018	32	2	4,018	32
CAIN	9	BURLINGTON RESOURCES O&G CO LP	16	K	28N	10W	Dakota		6,314	43	1	8,779	44
CAIN COM	12	BURLINGTON RESOURCES O&G CO LP	16	A	28N	10W	Dakota		5,058	36	4	5,271	38
CAIN COM	12E	BURLINGTON RESOURCES O&G CO LP	16	O	28N	10W	Dakota		1,442	8	2	1,907	10
CAIN	9E	BURLINGTON RESOURCES O&G CO LP	16	D	28N	10W	Dakota		524	2	1	1,086	3
FEDERAL E	1	XTO ENERGY INCORPORATED	17	G	28N	10W	Dakota		5,781	49	1	6,253	49
J F DAY E	1E	XTO ENERGY INCORPORATED	17	E	28N	10W	Dakota		362	3	1	515	4
J F DAY E	1	XTO ENERGY INCORPORATED	17	L	28N	10W	Dakota		3,458	23	0	3,739	23
FEDERAL E	1E	XTO ENERGY INCORPORATED	17	O	28N	10W	Dakota		113	1	6	555	2
CONGRESS LACHMAN	4	ENERGEN RESOURCES CORPORATION	18		28N	10W	Dakota		3,730	47	1	3,879	49
KUTZ FEDERAL	10	XTO ENERGY INCORPORATED	18	G	28N	10W	Dakota		5,185	33	1	5,571	33
CONGRESS LACHMAN	4E	ENERGEN RESOURCES CORPORATION	18	C	28N	10W	Dakota		143	2	1	609	2
NEWMAN B	6	BURLINGTON RESOURCES O&G CO LP	19		28N	10W	Dakota		2,573	23	0	2,767	25
NEWMAN B	6E	BURLINGTON RESOURCES O&G CO LP	19	C	28N	10W	Dakota		420	3	2	575	3
NEWMAN A	8E	BURLINGTON RESOURCES O&G CO LP	19	P	28N	10W	Dakota		724	5	1	995	5
NEWMAN A	8	BURLINGTON RESOURCES O&G CO LP	19	H	28N	10W	Dakota		5,137	33	1	5,137	33
DAY D	2	XTO ENERGY INCORPORATED	20	H	28N	10W	Dakota		51	0	4	932	1
J F DAY D	1E	XTO ENERGY INCORPORATED	20	P	28N	10W	Dakota		637	4	1	1,105	5
KUTZ FEDERAL	11	XTO ENERGY INCORPORATED	20	N	28N	10W	Dakota		4,560	38	1	4,816	39
KUTZ FEDERAL	11E	XTO ENERGY INCORPORATED	20	C	28N	10W	Dakota		120	0	35	543	1
J F DAY D	1	XTO ENERGY INCORPORATED	20	B	28N	10W	Dakota		6,415	52	1	6,770	54
KUTZ FEDERAL	12	XTO ENERGY INCORPORATED	21	M	28N	10W	Dakota		6,910	65	2	7,390	66
DAVIDSON GAS COM G	1	XTO ENERGY INCORPORATED	21	H	28N	10W	Dakota		7,578	79	2	8,122	80
KUTZ FEDERAL	12E	XTO ENERGY INCORPORATED	21	D	28N	10W	Dakota		1,474	0	1,035	2,520	1
DAVIDSON GAS COM G	1E	XTO ENERGY INCORPORATED	21	O	28N	10W	Dakota		1,150	7	3	1,488	7
KUTZ FEDERAL	14Y	XTO ENERGY INCORPORATED	21	E	28N	10W	Dakota		23	0	1	589	0
Average												3,055	22

	Gas	Oil
Otero Chacra Allocation	14%	0%
Basin Dakota Allocation	86%	100%



2700 Farmington Ave, K-1 Farmington, NM 87401
Phone: (505) 324-1090 FAX: (505) 564-6700

February 2, 2005

RE: Notice of Intent to Apply for Downhole Commingling

Federal E #1F
Sec 17, T28N, R10W; 675' FNL & 1770' FEL
San Juan County, NM

To: All working interest, royalty interest and overriding royalty interest owners.

XTO Energy Inc. is applying for permission to downhole commingle the Basin Dakota and the Otero Chacra Pools in the Federal E #1F. This well will spud in March. We propose to downhole commingle production from both pools on initial completion. NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between pools.

The proposed allocations are based on individual pool average EUR's in the area. Based upon this data, XTO Energy Inc. proposes to allocate the commingled production as follows:

Pool	Oil	Water	Gas
Basin Dakota	100%	100%	86%
Otero Chacra	0%	0%	14%

If you need additional information or have any questions, I can be contacted at (505) 324-1090. If you are opposed to commingling production from these two pools please respond in writing within 20 days of the date of this letter to XTO Energy Inc., 2700 Farmington Avenue, Suite K-1, Farmington, NM 87401.

Sincerely,

Teena Cospes

Teena Cospes
Production Clerk

xc: Well File
FW Land Dept.

Federal E # 1F
DK/CH

Chateau Energy Inc.
10440 N. Central Expressway
Suite 1475
Dallas, TX 75231-2221

B.B.L., Ltd.
P.O. Box 911
Breckenridge, TX 76424-0911

MMS - Notify BLM

Fullerton Trust A
A. R. Kendrick, Successor Trustee
P.O. Box 382
Santa Fe, NM 87504-0382

Fullerton Trust B
A. R. Kendrick, Successor Trustee
P.O. Box 382
Santa Fe, NM 87504-0382

William L. Floyd, Jr.
16 East 77th Street Apt. 5A
New York, NY 10021

Rita Treasa Floyd
C/O Comerica Bank -TX Trustee
Attn: John W. Lowrie
P.O. Box 4167 (Mail Code 6605)
Houston, TX 77210-4167

Leon M. Ducharme Marital Trust
Rita Mae Ducharme & Joyce J.
Neville, Co-Trustees
2617 S. Wadsworth Circle
Lakewood, CO 80227-3220

Rita Mae Ducharme
2617 S. Wadsworth Circle
Lakewood, CO 80227-3220

Neely-Robertson Revocable Family Trust
Carla Neely & Donna Robertson
Co-Trustees
P.O. Box 29562
Santa Fe, NM 87592

Ovation Energy, L.P.
8713 Airport Freeway, Suite 125
North Richland Hills, TX 76180

TCW DR II Royalty Partnership
865 South Figueroa St #1800
Los Angeles, CA 90017

Mathias Family Trust 9/9/81
Barbara J. Mathias & Carol J.
Hopper Co-Trustees
3233 Spring Lane
Falls Church, VA 22041-2607

Virginia L. Mullin
2500 Cherry Creek S Drive Apt. 504
Denver, CO 80209

Bernard Hyde Dr Living Trust
Dated 4-6-88
Bernard Hyde Dr Trustee
28242 Yanez
Mission Viejo, CA 92692-1836

Richard P. Shooshan
686 E Union Street
Pasadena, CA 91101-1820