

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

RECEIVED

AUG 14 2012

REGULATORY COMPLIANCE

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)  
505-333-3100

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1570' ENL & 1730' FWL SENW SEC. 25 (E) - T29N-R10W N.M.P.M.

5. Lease Serial No.

FEE

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
NNM-73762

8. Well Name and No.  
HARE GAS COM C #1E

9. API Well No.  
30-045-23566

10. Field and Pool, or Exploratory Area  
BASIN DAKOTA/ OTERO CHACRA  
AZTEC PICTURED CLIFFS

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
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<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 per NMOCD rule 19.15.12.11 C(2) to DHC production from the Basin Dakota (71599), Otero Chacra (82329) & the Aztec Pictured Cliffs (71280) pools in the Hare Gas Com C #1E. XTO proposes to downhole commingle these pools. Pools are not in the NMOCD pre-approved pool combinations for DHC in the San Juan Basin.

Basin Dakota	Gas: 12%	Oil: 100%	Water: 100%
Otero Chacra	Gas: 40%	Oil: 0%	Water: 0%
Aztec Pictured Cliffs	Gas: 48%	Oil: 0%	Water: 0%

RCVD DEC 17 '12  
OIL CONS. DIV.  
DIST. 3

Ownership is diverse, a notification to owners was sent out 7/20/12. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The OCD was notified of our intent to DHC via C-107A on 7/26/2012.

DHC 4586 issued in SF 10-12-12

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

KRISTEN D. LYNCH

Title REGULATORY ANALYST

Signature

*Kristen D. Lynch*

Date 7/31/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

*Geo. Hurth*

Title Geo

Date 8-1-12

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 FDO

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.

OPERATOR NMOCD  
AV

Hare Gas Com C #1E (API #30-045-23566) DHC Prod Allocation Data										
FIELD	RESERVOIR	PROD MONTH	OIL (Bbls)	GAS (MCF)	WATER (Bbls)	Comment	AVERAGE PROD LAST 3 FULL MONTHS ON PROD.			
							OIL (Bbls)	GAS (MCF)	WTR (Bbls)	
BASIN	DAKOTA	01/31/09	0	994	0					
BASIN	DAKOTA	02/28/09	0	785	0		CHACRA	0	2,332	0
BASIN	DAKOTA	03/31/09	0	952	0		PICTURED CLIFFS	0	2,756	0
BASIN	DAKOTA	04/30/09	0	479	0		DAKOTA	0	683	0
BASIN	DAKOTA	05/31/09	0	452	0					
BASIN	DAKOTA	06/30/09	0	673	0					
BASIN	DAKOTA	07/31/09	0	1402	0					
BASIN	DAKOTA	08/31/09	0	1298	0					
BASIN	DAKOTA	09/30/09	0	984	0		CHACRA	0%	40%	0%
BASIN	DAKOTA	10/31/09	0	631	0		PICTURED CLIFFS	0%	48%	0%
BASIN	DAKOTA	11/30/09	0	382	7		DAKOTA	100%	12%	100%
BASIN	DAKOTA	12/31/09	0	850	0		**Gas alloc is based on 3 mos stabilized prod rates.			
BASIN	DAKOTA	01/31/10	0	903	0		*All liquids allocated to DK (DK cum prod 4,932 BO & 3,366 BW). CH prod 0 BO & 0 BW during 6 mo test. PC prod 0 BO & 0 BW last 6 mos.			
BASIN	DAKOTA	02/28/10	0	722	0					
BASIN	DAKOTA	03/31/10	0	693	0					
BASIN	DAKOTA	04/30/10	0	871	0					
BASIN	DAKOTA	05/31/10	0	764	0					
BASIN	DAKOTA	06/30/10	0	900	0					
BASIN	DAKOTA	07/31/10	0	724	0					
BASIN	DAKOTA	08/31/10	0	719	0					
BASIN	DAKOTA	09/30/10	0	688	0					
BASIN	DAKOTA	10/31/10	0	643	0					
BASIN	DAKOTA	11/30/10	0	312	40	TA'd DK to RC to CH				
BASIN	DAKOTA	12/31/10	0	0	0					
BASIN	DAKOTA	01/31/11	0	0	0					
BASIN	DAKOTA	02/28/11	0	0	0					
BASIN	DAKOTA	03/31/11	0	0	0					
BASIN	DAKOTA	04/30/11	0	0	0					
BASIN	DAKOTA	05/31/11	0	0	0					
BASIN	DAKOTA	06/30/11	0	0	0					
BASIN	DAKOTA	07/31/11	0	0	0					
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BASIN	DAKOTA	10/31/11	0	0	0					
BASIN	DAKOTA	11/30/11	0	0	0					
BASIN	DAKOTA	12/31/11	0	0	0					
BASIN	DAKOTA	01/31/12	0	0	0					
BASIN	DAKOTA	02/29/12	0	0	0					
BASIN	DAKOTA	03/31/12	0	0	0					
OTERO	CHACRA	12/31/10	0	1036	0	RC to CH				
OTERO	CHACRA	01/31/11	0	5022	0					
OTERO	CHACRA	02/28/11	0	2610	0					
OTERO	CHACRA	03/31/11	0	2351	0					
OTERO	CHACRA	04/30/11	0	2036	0					
OTERO	CHACRA	05/31/11	0	544	0	TA'd CH to RC in PC				
OTERO	CHACRA	06/30/11	0	0	0					
OTERO	CHACRA	07/31/11	0	0	0					
OTERO	CHACRA	08/31/11	0	0	0					
OTERO	CHACRA	09/30/11	0	0	0					
OTERO	CHACRA	10/31/11	0	0	0					
OTERO	CHACRA	11/30/11	0	0	0					
OTERO	CHACRA	12/31/11	0	0	0					
OTERO	CHACRA	01/31/12	0	0	0					
OTERO	CHACRA	02/29/12	0	0	0					
OTERO	CHACRA	03/31/12	0	0	0					
AZTEC	PICTURED CLIFFS	06/30/11	0	649	20	RC to PC				
AZTEC	PICTURED CLIFFS	07/31/11	0	4013	40					
AZTEC	PICTURED CLIFFS	08/31/11	0	3170	40					
AZTEC	PICTURED CLIFFS	09/30/11	0	2557	0					
AZTEC	PICTURED CLIFFS	10/31/11	0	2828	0					
AZTEC	PICTURED CLIFFS	11/30/11	0	2921	0					
AZTEC	PICTURED CLIFFS	12/31/11	0	2910	0					
AZTEC	PICTURED CLIFFS	01/31/12	0	2889	0					
AZTEC	PICTURED CLIFFS	02/29/12	0	2568	0					
AZTEC	PICTURED CLIFFS	03/31/12	0	2812	0					



382 CR 3100  
Aztec, NM 87410

July 20, 2012

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling  
Hare Gas Com C #1E  
Unit F, Sec 25, T29N, R10W

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the, Basin Dakota , Aztec Pictured Cliffs, and the Otero Chacra, pools in the Hare Gas Com C #1E. Commingling of these pools will minimize operating costs, add reserves and improve economics of the well.

The proposed allocation percentages for each pool are as follows:

Basin Dakota	Gas: 12%	Water: 100%	Oil: 100%
Aztec Pictured Cliffs	Gas: 48%	Water: 0%	Oil: 0%
Otero Chacra	Gas: 40%	Water: 0%	Oil: 0%

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between zones. If you need additional information or have any questions, I may be contacted at (505) 333-3206. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

A handwritten signature in cursive script that reads 'Sherry J. Morrow'.

Sherry J. Morrow  
Regulatory Analyst