

Form Approved
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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 reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF077383A
2. Name of Operator XTO Energy Inc.		6. If Indian, Allottee or Tribe Name NM 013969
3a. Address 2700 Farmington Ave., Bldg. K, Ste 1 Farmington,	3b. Phone No. (include area code) 30-045-32873	7. If Unit or CA/Agreement, Name and/or No. FEDERAL GAS COM #3
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1365' FNL & 740' FNL SEC 27-T28N-R10W		8. Well Name and No. BASIN DAKOTA
		9. API Well No. OTERO CHACRA
		10. Field and Pool, or Exploratory Area SAN JUAN NM
		11. County or Parish, State 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 DOWNHOLE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	COMMINGLE
	<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 recompleat 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 recompleat 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 production from the Basin Dakota (71599) and the Otero Chacra (82329) upon completion. Allocations are based upon a 9-section EUR & calculated as follows:

Basin Dakota:	Oil: 99%	Gas: 86%	Water: 99%
Otero Chacra:	Oil: 1%	Gas: 14%	Water: 1%

Both pools are in the NMOC pre-approved pool combinations for DHC in San Juan Basin. All interest owners were notified by certified, return receipt mail on January 30, 2006. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The New Mexico Oil Conservation Division was notified of our intent by submittal of Form C103 on 4/7/2006.

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.

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

HOLLY C. PERKINS

Title

REGULATORY COMPLIANCE TECH

Date **4/7/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Matt Halbert

Title

DET ENG

Date

4/20/06

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

BLM - FFO

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