

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. N00C14205252
2. Name of Operator XTO ENERGY INC.		6. If Indian, Allottee or Tribe Name
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington,	3b. Phone No. (include area code) 505/324-1090	7. If Unit or Casing Agreement, Name and/or No. SWI 6289
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 800' FNL & 800' FEL Sec. 25A, T25N, R11W		8. Well Name and No. CANYON #17
		9. API Well No. 30-045-21508
		10. Field and Pool, or Exploratory Area BASIN DAKOTA
		GALLEGOS GALLUP
		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 recompleate 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 recompleation 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 NMOCD Rule 303-C to permit DHC of production from the Basin Dakota & the Gallegos Gallup in the Canyon #17. The proposed allocations are based upon average production of this well and are as follows:

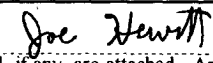
Basin Dakota	Gas:	% 64	Oil:	1%	Water:	0% 2
Gallegos Gallup	Gas:	% 36	Oil:	99%	Water:	100% 98

Both pools are included in the NMOCD pre-approved pool combinations for DHC in the San Juan Basin. Interest owners were common; therefore, no notice to owners was necessary. The NMOCD has been notified of our intent by submission of a C-103. Downhole commingling will offer an economical mentod of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

WHC 2508AZ

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) LORRI D. BINGHAM	Title REGULATORY COMPLIANCE TECH
	Date 1/12/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	Title Geo	Date 1-16-07
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.

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