

BUREAU OF LAND MANAGEMENT

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

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

2700 Farmington Ave., Bldg. K. Ste 1 Farmington,

3b. Phone No. (include area code)

505-324-1090

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

1980' FNL & 1970' FWL SEC 23F-T26N-R11W

5. Lease Serial No.

NMSF-078641

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

BERGER #2R

9. API Well No.

30-045-34011

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

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other DOWNHOLE

COMMINGLING

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 DHC production from the Basin Dakota (71599) and the Gallegos Gallup (26980) upon completion. The proposed allocations are based upon an individual pool average EUR of wells located in a 12-section surrounding area. Attached is supporting documentation for allocations, plats and copy of the C-103 filed with NMOCD. Based on the average EUR, XTO proposes allocations as follows:

Basin Dakota:	Gas: 36%	Water: 30%	Oil: 5%
Gallegos Gallup:	Gas: 64%	Water: 70%	Oil: 95%

Both pools are included in the NMOCD pre-approved pool combinations for downhole commingling in the San Juan Basin. Ownership is common in both zones; therefore, notification to owners was not necessary. The NMOCD has been notified of our intent by submission of a C-103. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

RCVD APR 20 07
OIL CONS. DIV.

DIST. 3

DHC 2560AZ

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

LOBRI D. BINGHAM

Title

REGULATORY COMPLIANCE TECH

Date

3/28/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title

Geo

Date

3-29-07

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

FDD

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.

NMOCD

API	LEASE NAME	NO.	RESERVOIR	FIELD	SEC	LOCATION	OPERATOR	1st PROD	Monthly Prod									
									OIL	GAS	WATER	%DAK GAS	%DAK OIL	%DAK WAT	%GAL GAS	%GAL OIL	%GAL WAT	
30045247520000	BERGER	2E	DAKOTA	BASIN	23	26 N 11 W	XTO ENERGY	19810731	Dakota Only	8	1440	0	24%	7%	0%	76%	93%	100%
30045247520000	BERGER	2E	GALLUP	GALLEGOS	23	26 N 11 W	XTO ENERGY	20020331	Stabilized Gallup F	101	4650	29						
30045057400000	BERGER	3	DAKOTA	BASIN	22	26 N 11 W	XTO ENERGY	19591231	Dakota Only	11	1500	40	30%	7%	56%	70%	93%	44%
30045057400000	BERGER	3	GALLUP	GALLEGOS	22	26 N 11 W	XTO ENERGY	20010531	Stabilized Gallup F	141	3445	32						
30045290950000	GALLEGOS	4E	DAKOTA	BASIN	33	26 N 11 W	XTO ENERGY	19941230	Dakota Only	5	1177	50	34%	1%	33%	66%	99%	67%
30045290950000	GALLEGOS	4E	GALLUP	GALLEGOS	33	26 N 11 W	XTO ENERGY	20061201	Stabilized Gallup F	803	2251	102						
	CALDWELL	A1	GALLUP	BASIN	27	26 N 11 W	XTO ENERGY	19620731	Dakota Only	12	1016	16	54%	6%	33%	46%	94%	67%
	CALDWELL	A1	DAKOTA	BASIN	27	26 N 11 W	XTO ENERGY	20060531	Comingled	194	1878	48						
									AVERAGE ALLOCATION:				35%	5%	30%	64%	95%	70%

Date	OIL	GAS	Water
6/30/2006	10	1501.97	0
7/31/2006	0	1213.74	180
8/31/2006	12	1516.68	40
9/30/2006	2	1383	0
10/31/2006	3	1329	80
11/30/2006	0	120	0
Dakota	8	1177	50

Date	OIL	GAS	Water
1/31/2007	1436	3174	180
2/28/2006	1239	4329	160
Initial Gallup	1338	3752	170
Stabilized Gallup	803	2251	102

(Assume Initial 40% decline)

Date	OIL	GAS	Water
10/31/2001	10	1707	0
11/30/2001	15	1747	0
12/31/2001	11	1691	0
1/31/2002	4	1358	0
2/28/2002	0	696	0
Dakota	8	1439.8	0

Date	OIL	GAS	Water
10/31/2003	141	4489	0
11/30/2003	85	4667	70
12/31/2003	77	4863	0
1/31/2004	102	4832	75
2/29/2004	102	4397	0
Gallup	101.4	4649.6	29

Date	OIL	GAS	Water
12/31/2000	17	1936	0
1/31/2001	23	1914	0
2/28/2001	10	1261	0
3/31/2001	0	1476	0
4/30/2001	7	1249	0
Dakota	11	1567	0

Date	OIL	GAS	Water
1/31/2003	155	3712	0
2/28/2003	117	3231	0
3/31/2003	178	3649	80
4/30/2003	127	3325	0
5/31/2003	129	3308	80
Gallup	141	3445	32

Date	OIL	GAS	Water
12/31/2000	17	1936	0
1/31/2001	23	1914	0
2/28/2001	10	1261	0
3/31/2001	0	1476	0
4/30/2001	7	1249	0
Dakota	11	1567	0