

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 14080016419 |
| 2. Name of Operator XTO ENERGY INC. | | 6. If Indian/Allottee or Tribe Name JUN 22 PM 12:38 |
| 3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, | 3b. Phone No (include area code) 505-324-1090 | 7. If Unit or CA/Agreement, Name and/or No. 210 FARMINGTON NM |
| 4. Location of Well (Footage, Sec., T, R., M, or Survey Description) 790'FNL, 1040'FEL Sec 01,T27N,R13W | | 8. Well Name and No SHIPP GAS COM #1E |
| | | 9. API Well No 30-045-25246 |
| | | 10. Field and Pool, or Exploratory Area BASIN DAKOTA |
| | | 11. County or Parish, State SAN JUAN NM |

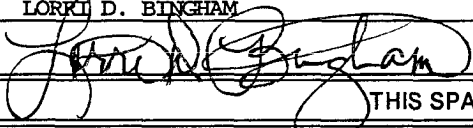
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input 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 checked="" 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 1ST DELIV PC |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <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 recomplate 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. opened well up & first delivered PC gas sales to Enterprise @ 10:30 a.m., 9/21/06.
Initial rate of production was 106 MCFPD.

RCVD JUN28'07
OIL CONS. DIV.
DIST. 3

| | | |
|---|--------|---------------------------------------|
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) LORRI D. BINGHAM | | Title REGULATORY COMPLIANCE |
|  | | Date 6/21/07 |
| 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 | FARMINGTON DISTRICT OFFICE |
| 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 | | |

ACCEPTED FOR RECORD

JUN 27 2007

INMOCD