

UNITED STATES
DEPARTMENT OF THE INTERIOR
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., Farmington NM 87401

3b. Phone No. (include area code)
505-324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1820' FSL x 870' FEL in Sec 22, T26N, R11W

FORM APPROVED
 OM B No. 1004-0137
 Expires: March 31, 2007

5. Lease Serial No.
NMSF 078641

6. If Indian, Allottee or Tribe Name
N/A

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

8. Well Name and No.
BERGER #7S

9. API Well No.
30-045-32946

10. Field and Pool, or Exploratory Area
BASIN FRUITLAND COAL

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 type="checkbox"/> Other
	<input checked="" 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 recompleting 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleting in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

XTO has decided to drill this well horizontally. Please see attached revised C102 w/ bottom hole location and drilling program.

RCVD AUG 29 '07
 OIL CONS. DIV.
 DIST. 3

**SEE ATTACHED FOR
 NOTIFY AZTEC OCD 24 HRS. CONDITIONS OF APPROVAL
 PRIOR TO CASING & CEMENT**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Kyla Vaughan	Title Regulatory Compliance
Signature <i>Kyla Vaughan</i>	Date 08/15/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Troy L. Salvors	Title PE	Date 8/27/2007
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 FFO	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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

(Instructions on page 2)

HOLD 0104 FOR
NMOCD
Directional Survey
2 As drilled C-102 Farm
3. Cancellation of APD for Berger #7

DISTRICT I
1625 N French Dr Hobbs NM 88240

DISTRICT II
1301 W Grand Ave Artesia NM 88210

DISTRICT III
1000 Rio Brazos Rd Aztec NM 87410

DISTRICT IV
1220 South St Francis Dr Santa Fe NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St Francis Dr
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Free Lease - 3 Copies

210 FED. AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-32946	² Pool Code 71629	³ Pool Name BASIN FRUITLAND COAL
⁴ Property Code	⁵ Property Name BERGER	⁶ Well Number 7S
⁷ GRID No 5380	⁸ Operator Name XTO ENERGY INC	⁹ Elevation 6264

¹⁰ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	22	26-N	11-W		1820	SOUTH	870	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	22	26-N	11-W		660	SOUTH	660	WEST	SAN JUAN

¹² Dedicated Acres 5/2 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No RCVD AUG 29 '07 OIL CONS. DIV. DIST. 3
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p> <p>QTR CORNER FD 2 1/2" BC 1930 USGLO</p> <p>N 00-55-27 E 2607 6' (M)</p> <p>660' B.H.</p> <p>SEC CORNER FD 2 1/2" BC 1930 USGLO</p> <p>N 89-58-23 E 2639 6' (M)</p> <p>OTR CORNER FD 2 1/2" BC 1930 USGLO</p> <p>S 89-56-17 W 2637 5' (M)</p> <p>SURFACE: LAT: 36°28'16.8" N. (NAD 27) LONG: 107°59'05.4" W. (NAD 27)</p> <p>BOTTOM HOLE: LAT: 36.46813° N. (NAD 83) LONG: 107.99822° W. (NAD 83)</p> <p>660'</p> <p>1820'</p> <p>870'</p> <p>N 00-44-22 E 2647 3' (M)</p>	<p>17</p> <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</p> <p><i>Kyla Vaughan</i> 8/15/07 Signature Date <i>Kyla Vaughan</i> Printed Name</p> <p>18</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</p> <p>OCT 10 2007 Date of Survey Signature and Seal of Professional Land Surveyor <i>ROY A. RUIZ</i> 8894 REGISTERED PROFESSIONAL LAND SURVEYOR 8894 Certificate Number</p>
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XTO ENERGY INC.

Berger #7S

APD Data

August 8, 2007

Location: 1820' FSL x 870' FEL Sec 22, T26N, R11W County: San Juan State: New Mexico
Bottomhole Location: 660' FSL x 660' FWL Sec 22, T26N, R11W

GREATEST PROJECTED TVD: 1494'

APPROX GR ELEV: 6264'

GREATEST PROJECTED MD: 5125'

Est KB ELEV: 6276' (12' AGL)

OBJECTIVE: Fruitland Coal

1. MUD PROGRAM:

INTERVAL	0' to 225'	225' to 1800'	1790' to TD
HOLE SIZE	12.25"	8.75"	6.125"
MUD TYPE	FW/Spud Mud	FW/Polymer	Air/Mist
WEIGHT	8.6-9.0	8.4-8.8	NA
VISCOSITY	28-32	28-32	NA
WATER LOSS	NC	NC	NC

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes. Use Fruitland Coal produced water as make-up water for mist fluid. Pump enough fluid to dampen vibration at directional BHA. If directional control is not maintainable in air/mist environment convert to polymer mud.

2. CASING PROGRAM:

Surface Casing: 9.625" casing to be set at $\pm 225'$ in a 12-1/4" hole filled with 9.20 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll ¹	SF Burst ²	SF Ten ³
0'-225'	225'	36.0#	J-55	ST&C	2020	3520	394	8.921	8.765	18.76	32.7	48.6

Intermediate Casing: 7" casing to be set at $\pm 1800'$ MD, 1494' TVD in 8.75" hole filled with 9.20 ppg mud.

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll ¹	SF Burst ²	SF Ten ³
0'-1800	1800'	23.0#	J-55	ST&C	3270	4360	284	6.276	6.151	4.58	6.10	6.86

Production Casing: 4.5" casing to be set at $\pm 5125'$ MD, 1494' TVD in 6.125" hole filled with 8.4 ppg mud.

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll ¹	SF Burst ²	SF Ten ³
1800'-5125'	3325'	10.5	J-55	ST&C	4010	4790	132	4.052	3.927	6.14	6.70	3.78

¹Collapse SF is based on evacuated annulus and hydrostatic at TVD.

²Burst SF is based on evacuated casing and hydrostatic at TVD.

³Tensile SF is based on hanging air weight of casing in a vertical hole at measured depth.

3. WELLHEAD:

- A. Casing Head: WHI QDF System (or equivalent), 9-5/8" x 7", 3,000 psig WP (4,000 psig test) with 9-5/8" 8rnd thread ST&C pin end on bottom and 4-1/2" slips on top.
- B. Tubing Head: WHI W2F (or equivalent), 7.063" nominal, 5,000 psig WP (5,000 psig test), 5-1/2" slip-on or weld-on.

4. CEMENT PROGRAM (Slurry design may change slightly, but the plan is to circulate cement to surface on both casing strings):

- A. Surface: 9.625", 36.0#, J-55, ST&C casing to be set at $\pm 225'$ in 12-1/4" hole.

140 sx of Type III cement (or equivalent) typically containing accelerator and LCM, mixed at 14.5 ppg, 1.39 ft³/sk, & 6.70 gal wtr/sk.

Total slurry volume is ~~177 ft³~~, 100% excess of calculated annular volume to 225'.

195 ft³

- B. Production Casing: 7", 23#/ft, J-55, ST&C casing to be set at $\pm 1800'$ MD, 1494' TVD in 8.75" hole.

LEAD:

± 105 sx of Premium Lite FM or CBM Lite typically containing accelerator, LCM, dispersant, and fluid loss additives at 12.1 ppg, 2.22 ft³/sk, & 12.04 gal wtr/sk.

TAIL:

± 100 sx of Type III or V cement typically containing accelerator, LCM, dispersant, and fluid loss additives at 14.2 ppg, 1.48 ft³/sk, & 7.34 gal wtr/sk.

Total estimated slurry volume for the 7" production casing is 380 ft³.

- C. Production Liner: 4.5", 10.5#/ft, J-55, ST&C casing is to be set at 5125' MD, 1494' TVD in 6.125" hole.

The production liner will be set using an uncemented liner hanger. The liner may be tied back to surface during the completion of the well.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs (if available) plus 40%. It will be attempted to circulate cement to the surface.

5. LOGGING PROGRAM:

- A. Mud Logger: A geologic consultant or unmanned mud logging unit will begin logging the well once the surface shoe is drilled out and remain on the well to TD.
- B. Open Hole Logs as follows: Gamma Ray from Surface shoe to TD.

6. **FORMATION TOPS:**

Est. KB Elevation: 6276'

<u>FORMATION</u>	<u>TV Sub-Sea</u>	<u>TVD</u>
Ojo Alamo SS	5818	458
Kirtland Shale	5691	585
Farmington SS		
Fruitland Formation	5328	948
Lower Fruitland Coal*	4782	1494
TD	4822	1494
<i>* Primary Objective</i>		<i>** Secondary Objective</i>

**** Maximum anticipated BHP should be <2,000 psig (<0.30 psi/ft) ****

7. **COMPANY PERSONNEL:**

Name	Title	Office Phone	Home Phone
John Egelston	Drilling Engineer	505-564-6734	505-330-6902
Jerry Lacy	Drilling Superintendent	505-566-7917	505-320-6543
John Klutsch	Project Geologist	817-885-2800	--

JWE
8/8/07

XTO Energy, Inc. Planning Report

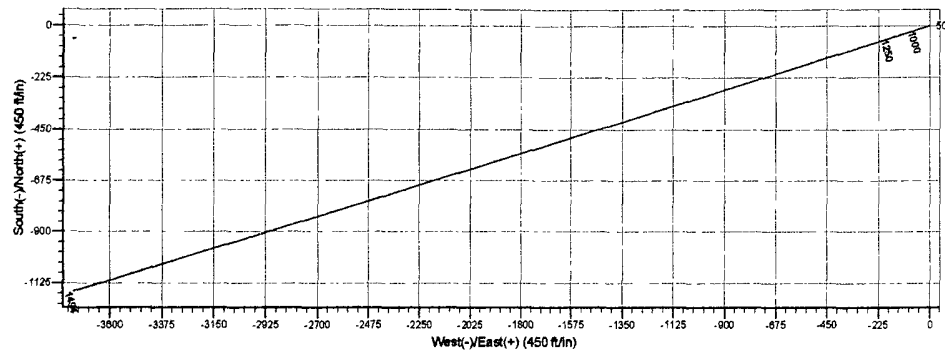
Database:
Company: XTO Energy
Project: San Juan Basin (NAD 83)
Site: Berger #7S
Well: Berger #7S
Design: Berger #7S

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

Well Berger #7S
Rig KB @ 6276.0ft (AWS #507)
Rig KB @ 6276.0ft (AWS #507)
True
Minimum Curvature

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Direction (°)
458.0	458.0	Ojo Alamo SS	Sandstone	0.00	
585.0	585.0	Kirtland Shale	Shale	0.00	
952.6	948.0	Fruitland Formation		0.00	
1,749.9	1,494.0	Fruitland Coal	Coal	0.00	



Well Name: Berger #7S					
Plan Description: Build 5 deg./100' to 40 deg & 15 deg/100' to TVD					
Name	TVD	+N-S	+E-W	Latitude	Longitude
Berger #7S	1494.0	-1181.0	-3757.7	38° 28' 5.288 N 107° 59' 53.592 W	Point

Project: San Juan Basin (NAD 83)
 Site: Berger #7S
 Well: Berger #7S
 Wellbore: Berger #7S
 Berger #7S

FORMATION TOP DETAILS

TVD	MD	Formation
458.0	458.0	Ojo Alamo SS
585.0	585.0	Kirtland Shale
948.0	952.8	Fruitland Formation
1494.0	1749.9	Fruitland Coal

CASING DETAILS

TVD	MD	Name	Size
225.0	225.0	9 5/8"	9-5/8
1494.0	1800.0	7"	7
1494.0	5125.0	4 1/2"	4-1/2

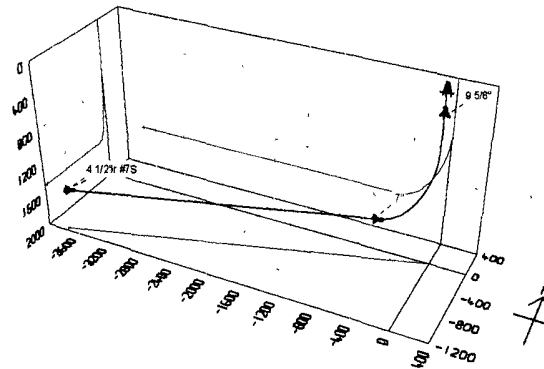
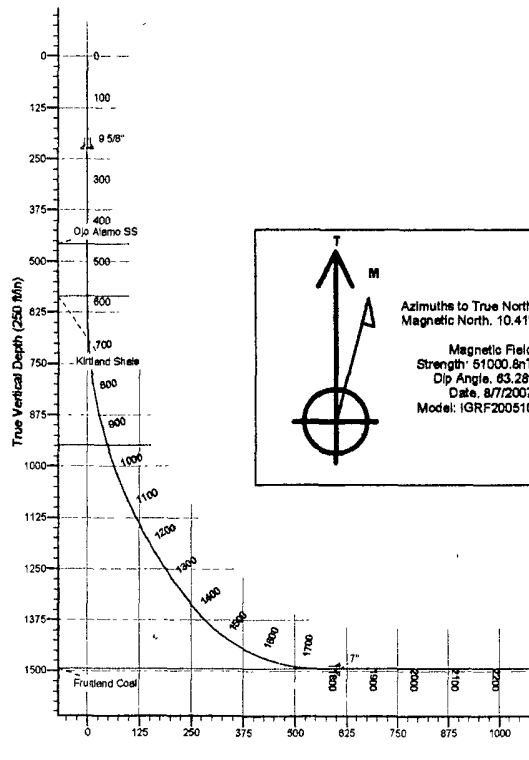
PROJECT DETAILS: San Juan Basin (NAD 83)

Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: New Mexico Western Zone

System Datum: Mean Sea Level

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N-S	+E-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	821.0	0.00	0.00	821.0	0.0	0.0	0.00	0.00	0.0	
3	822.0	0.05	252.83	822.0	0.0	0.0	5.00	252.83	0.0	
4	1421.0	40.00	252.83	1357.6	-79.1	-258.1	5.00	0.00	288.1	Berger #7S
5	1422.0	40.15	252.83	1358.3	-79.3	-258.8	18.00	0.00	288.7	
6	1754.3	90.00	252.83	1494.0	-1181.5	-335.7	15.00	0.00	580.7	Berger #7S
7	5128.6	90.00	252.83	1494.0	-1181.0	-3757.7	0.00	0.00	3933.0	Berger #7S



Vertical Section at 252.83° (250 ft/m)

DRILLING CONDITIONS OF APPROVAL

Operator: XTO Energy Inc.
Lease No.: NMSF-078641
Well Name: Berger #7S
Well Location: Sec. 22, T26N, R11W; 1820' FSL & 870' FEL

1) Centralizers must be run on the bottom (3) three joints on the surface casing according to Onshore Order No. 2 *Casing and Cementing Requirements* and NTL – FRA 90-1 *Requirements to Operate on Federal and Indian Leases: Casing and Cementing Requirements*.

2) Centralizers to impart a swirling action around the casing (such as turbolators) are required just below and into the base of the lowest usable water zone.