

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0137
Expires July 31, 2010

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.

RECEIVED

OCT 23 2009

5. Lease Serial No.

NMSF-078895

6. If Indian, Allottee or Tribe Name

7. Agent or CA/Agreement, Name and/or No.

Bureau of Land Management
Farmington Field Office

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

382 CR 3100 Aztec, NM 87410

3b. Phone No. (include area code)

505-333-3630

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

850' FSL & 850' FEL SESE SEC 18 (P) -T27N-R11W N.M.P.M.

8. Well Name and No.

MUDGE A #11

9. API Well No

30-045-24268

10. Field and Pool, or Exploratory Area

WEST KUTZ PICTURED CLIFFS
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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Casing Repair☐ New Construction☐ Recomplete☒ Other DOWNHOLE☐ Change Plans☐ Plug and Abandon☐ Temporarily AbandonCOMMINGLE☐ Convert to Injection☐ Plug Back☐ 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. proposes to downhole commingle production from the Basin Fruitland Coal & the West Kutz Pictured Cliffs in this well. Both pools are in the NMOC pre-approved pool combinations for DHC in the San Juan Basin. XTO would like to DHC upon approval of this application. Allocations are based on production (please see attached chart) and have been allocated as follows:

PC: Gas: 18% Water: 33% Oil: 33%
FC: Gas: 82% Water: 67% Oil: 67%

Ownership is diverse & owners were notified by CRR on 10/02/09. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The NMOC was notified of our intent to DHC via Form C103 on 10/22/09.

RCVD OCT 28 '09
OIL CONS. DIV.

DIST. 3

DHC 3279AZ

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

WANETT MCCAULEY

Title REGULATORY CLERK

Signature

Wanett McCauley

Date 10/22/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title

GCO

Date

10-26-09

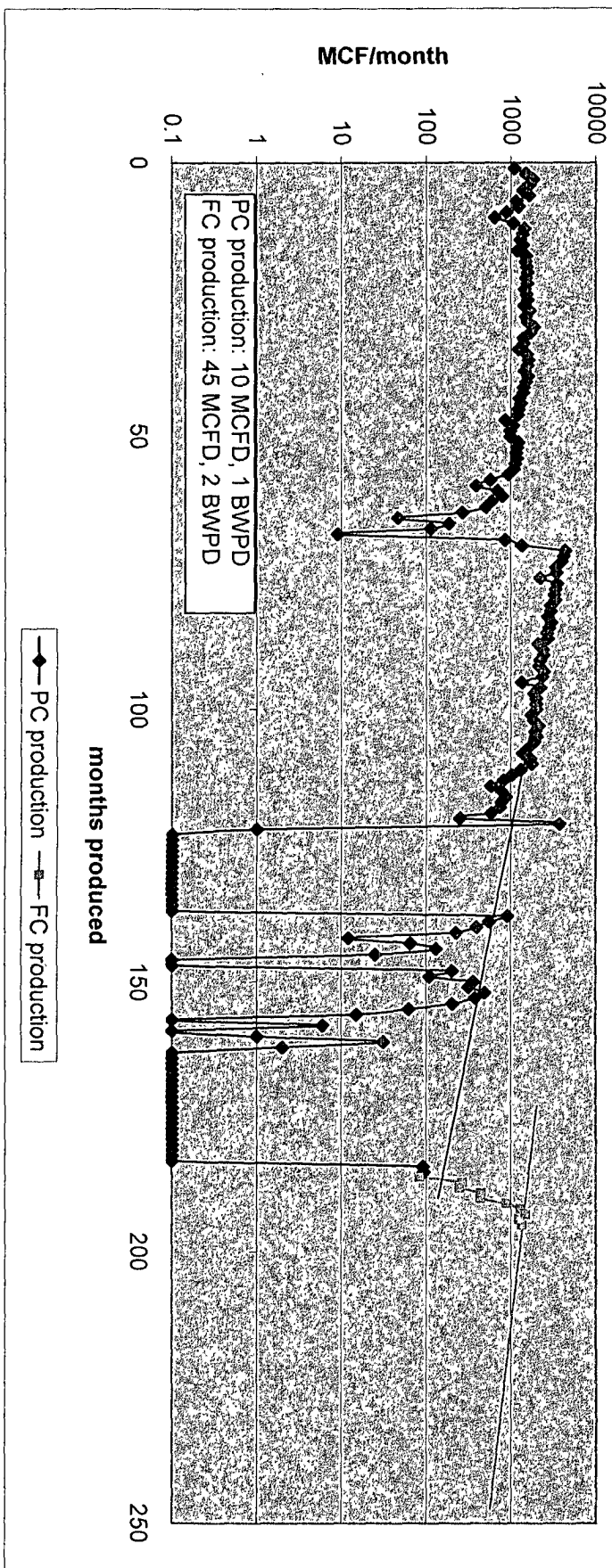
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

FFO

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

Mudger A 11



Mudger A #11 Allocations					
	MCFD	%	BWPD	%	BOPD
Pictured Cliffs	10	18%	1	33%	0
Fruitland Coal	45	82%	2	67%	0