

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM 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.

AUG 20 2010

5. Lease Serial No. **NMM-03551**
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. **BRECH E #104**
9. API Well No. **30-039-06644**
10. Field and Pool, or Exploratory Area **BLANCO MESAVERDE**
11. County or Parish, State **SAN JUAN NM**

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) **505-333-3176**
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FSL & 660' FEL SESE SEC.5 (P) -T26N-R6W N.M.P.M.

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 ISOLATE
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon USEABLE WATER
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal ZONES VERBAL APPR

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 recomplate 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. received verbal approval on 8/9/2010 from Wayne Townsend w/BLM and Charlie Perrin w/OCD to isolate the useable water zones in the Dakota formation of this well per the attached verbal worksheet.

RCVD AUG 24 '10
OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **TEENA M. WHITING**
Signature **Teena M. Whiting**
Title **REGULATORY COMPLIANCE TECHNICIAN**
Date **8/19/2010**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Original Signed: Stephen Mason** Title **NMOC** Date **AUG 20 2010**
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.

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.

XTO Verbal Approval Form

Well Name	Well #	API #	County/State	XTO Employee Requesting Verbal Approval
Breech E	#104	30-039-06644	RIO ARRIBA	MATTHEW GUSDORF
Detailed Description of Proposed Action Requiring Verbal Approval				
BLM COA for Deepening Breech E #104 to Dakota indicates that XTO isolate all useable water zones and potentially productive zones behind the 7" production casing prior to deepening the wellbore to the Dakota.				
XTO ran a CBL on the Breech E 104 on 8/5/10. CBL indicates that no isolation behind the 7" casing across the PC top 2889', Fruitland Coal top 2654', Kirtland top 2397', Ojo Alamo top 2178' and Nacimiento top at 1080'				
XTO(Matthew Gusdorf, Dusty Mecham) met with Wayne Townsend at 1:45 pm 8/10/10 to discuss plan and received approval to isolate the Pictured Cliffs, Fruitland Coal, Kirtland, Ojo Alamo and Nacimiento tops as follows:				
Perforate 2939' establish circulation , circulate cement to surface using filler cement with a neat tail cement				
XTO (Matthew Gusdorf & Danny Thompson) met with Charlie Perrin & Steve Hayden, NMOCD at 3 pm 8/09/2010 to discuss cementing operations to isolate the Formation tops as dicussed above.				
Date/Time of Verbal Approval				
Name of Agency	Verbal Approval Given By	Date/Time of Verbal Approval	COA's	
BLM	Wayne Townsend	8/9/2010		
NMOCD	Charlie Perrin	8/9/2010		
Date/Time of Verbal Approval				
Is Pit Permit C144-CLEZ Required? (NM only)	Verbal Pit Approval Given By	Date/Time of Verbal Approval	COA's	
yes			Approved previously for deepening operation	