

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

MAY 13 2011

Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.Farmington Field Office
Bureau of Land Management

5. Lease Serial No.

NM 020500

6. If Indian, Allottee or Tribe Name

Farmington Field Office

Bureau of Land Management

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

NM 73605 (DAKOTA)

8. Well Name and No.

OHIO A GOVT #2E

9. API Well No.

30-045-24358

10. Field and Pool, or Exploratory Area

BASIN DAKOTA

BASIN MANCOS

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) 333-3630

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

1,570' FSL & 1,660' FWL SEC. 23(K) - T28N-R11W NMM

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

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>DOWNHOLE</u> |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>COMMINGLE</u> |
| <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 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 this well per NMCD Rule 19.15.12.11 C(2) in the Basin Dakota (71599) and the Basin Mancos (97232) pools. XTO proposes to downhole commingle these pools upon completion of the Mancos. Please see attached spreadsheets for justification of proposed allocations. Recommended allocations are as follows:

Basin Dakota	Oil: 3%	Gas: 40%	Water: 35%
Basin Mancos	Oil: 97%	Gas: 60%	Water: 65%

Ownership is common in both zones; therefore, there are no owners to notify. The pools are not in the NMCD pre-approved pool combinations for DHC in the San Juan Basin and the NMCD was notified of our intent via Form C-107A on 5/12/2011. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves and violation of correlative rights.

RCVD MAY 27 '11
OIL CONS. DIV.
DIST. 3

ST DHC # 4390

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

WANETT MCCAULEY

Title REGULATORY COMPLIANCE TECHNICIAN

Signature

Wanett McCauley

Date 5/12/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title

Geo

Date

5-20-11

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.

NMCD
A

Allocations were determined by using the Ohio C Govt #2E Gallup add as an offset for the production increase that XTO would expect to see. All other Gallup producers in the 9-section either were commingled with the Dakota from initial production or were never commingled with the Dakota.

Monthly Production Rates

	OIL (Bbl/mo.)	GAS (KCF/mo.)	Water (Bbl/mo.)
Dakota	1	486	74
Gallup	42	737	137
Total	43	1223	211

Average production for last 6 months in Ohio A Govt 2E
6-month average production increase from adding Gallup production in Ohio C Govt 2E

Percent Production			
	OIL	GAS	Water
Dakota	3%	40%	35%
Gallup	97%	60%	65%
Total	100%	100%	100%

Date	Oil	Gas	Water
9/30/2010	3	483	160
10/31/2010	2	598	120
11/30/2010	0	649	2
12/31/2010	2	867	0
1/31/2011	0	93	40
2/28/2011	0	223	120

Ohio C Govt 2E

Before Gallup Add

After Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.		BO/Mo.	KCF/Mo.	BW/Mo.
	Oct-08	2	775	0	Feb-10	30	1534
	Nov-08	7	839	0	Mar-10	0	1448
Exluded 3 months	Dec-08	5	651	80	Apr-10	77	1291
due to well loading	Apr-09	7	923	84	May-10	81	1682
	May-09	3	1000	0	Jun-10	55	1854
	Jun-09	2	907	3	Jul-10	35	1709
	AVERAGE	4	849	28	AVERAGE	46	1586
				Increase	42	737	137

P_DATE	OIL	GAS	WATER	P_DATE	OIL	GAS	WATER
1/31/2007	2	758	0	1/31/2010	0	0	0
2/28/2007	13	406	0	2/28/2010	0	1640	0
3/31/2007	8	1023	35	3/31/2010	138	1787	13
4/30/2007	7	1155	0	4/30/2010	30	1534	18
5/31/2007	8	1144	0	5/31/2010	0	1448	80
6/30/2007	2	818	0	6/30/2010	75	994	115
7/31/2007	5	1139	80	7/31/2010	79	1295	229
8/31/2007	2	852	0	8/31/2010	54	1428	247
9/30/2007	3	1098	0	9/30/2010	34	1316	150
10/31/2007	7	1001	80	10/31/2010	36	979	161
11/30/2007	3	610	0	11/30/2010	0	512	0
12/31/2007	3	1039	30	12/31/2010	0	287	122
1/31/2008	0	740	0	1/31/2011	1	552	149
2/29/2008	15	823	0	2/28/2011	0	830	0
3/31/2008	3	1141	0				
4/30/2008	3	934	80				
5/31/2008	7	467	0				
6/30/2008	5	856	0				
7/31/2008	2	1049	0				
8/31/2008	2	618	2				
9/30/2008	2	728	56				
10/31/2008	2	775	0				
11/30/2008	7	839	0				
12/31/2008	5	651	80				
1/31/2009	3	322	0				
2/28/2009	0	91	0				
3/31/2009	5	390	0				
4/30/2009	7	923	84				
5/31/2009	3	1000	0				
6/30/2009	2	907	3				
7/31/2009	5	573	80				
8/31/2009	0	0	0				
9/30/2009	0	0	0				
10/31/2009	0	0	0				
11/30/2009	0	0	0				
12/31/2009	0	0	3				
1/31/2010	0	0	0				
2/28/2010	98	0	97				
3/31/2010	0	0	0				
4/30/2010	0	0	0				
5/31/2010	0	0	0				
6/30/2010	2	297	20				
7/31/2010	2	387	41				
8/31/2010	1	426	59				
9/30/2010	1	393	30				
10/31/2010	1	292	21				
11/30/2010	0	153	0				
12/31/2010	0	86	38				
1/31/2011	0	165	30				
2/28/2011	0	248	0				