

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-06143
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: BOLACK C LS
8. Well Number 7
9. OGRID Number 5380
10. Pool name or Wildcat BASIN FRUITLAND COAL/SOUTH BLANCO PC
11. Elevation (Show whether DR, RKB, RT, GR, etc) 6695 GR

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	7. Lease Name or Unit Agreement Name: BOLACK C LS
2. Name of Operator XTO Energy Inc.	8. Well Number 7
3. Address of Operator 382 CR 3100 AZTEC, NM 87410	9. OGRID Number 5380
4. Well Location Unit Letter E : 1840 feet from the NORTH line and 918 feet from the WEST line Section 33 Township 27N Range 8W NMPM NMPM County SAN JUAN	10. Pool name or Wildcat BASIN FRUITLAND COAL/SOUTH BLANCO PC
11. Elevation (Show whether DR, RKB, RT, GR, etc) 6695 GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☒

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
RCVD OCT 27 '11
OIL CONS. DIV.

OTHER: ☐ **DIST 3**

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy requests approval to DHC this well per NMCD Rule 19.15.12.11 C(2) in the FC (71629, 2546' - 2626') & the PC (72439, 2677'-2704'). XTO has been testing the FC & intends to DO CIRP @ 2655' & DHC upon approval of this application. Pool combinations are pre-approved per Order R-11363. Please see attachment for justification of the following proposed allocations.

Oil: PC 100% FC 0% Gas: PC 58% FC 42% Water: PC 38% FC 62%

Ownership is common in both zones; therefore notification was not necessary. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The BLM was notified of our intent to DHC via Form 3160-5 on 10/26/2011.

Spud Date:

DHC 3668AZ
Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Wanett McCauley TITLE REGULATORY COMPLIANCE TECH DATE 10/26/2011
Type or print name WANETT MCCAULEY E-mail address: wanett_mccauley@xtoenergy.com PHONE 505-333-3630

For State Use Only

APPROVED BY Charles TITLE Deputy Oil & Gas Inspector, District #3 DATE NOV 14 2011

Conditions of Approval (if any):

Ar

Production Summary Report API: 30-045-06143 BOLACK C LS #7						
		Production				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Mar	0	73	0	7
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Apr	0	109	0	14
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	May	0	213	0	31
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Jun	0	328	80	23
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Jul	0	505	0	31
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Aug	0	116	0	16
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Sep	0	474	0	11
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Aug	0	1778	0	31
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Sep	0	1644	0	27
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Oct	0	1951	0	31
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Nov	190	1410	0	30
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Dec	0	1468	0	31
	Sum		190	10069	80	283
	Average		0.671378092	35.58	0.28	
2010	[71629] BASIN FRUITLAND COAL (GAS)	Sep	0	571	0	30
2010	[71629] BASIN FRUITLAND COAL (GAS)	Oct	0	397	0	31
2010	[71629] BASIN FRUITLAND COAL (GAS)	Nov	0	605	40	30
2010	[71629] BASIN FRUITLAND COAL (GAS)	Dec	0	653	40	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Jan	0	604	40	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Feb	0	686	50	28
2011	[71629] BASIN FRUITLAND COAL (GAS)	Mar	0	896	0	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Apr	0	964	0	30
2011	[71629] BASIN FRUITLAND COAL (GAS)	May	0	904	0	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Jun	0	964	0	30
2011	[71629] BASIN FRUITLAND COAL (GAS)	Jul	0	1070	0	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Aug	0	1072	0	31
	Sum		0	9386	170	365
	Average		0	25.72	0.47	

Bolack C LS #7 DHC allocations

12 MONTH AVERAGE OF LATEST PRODUCTION			
	OIL (BBL/D)	GAS (MCF/D)	WATER (BBL/D)
Pictured Cliffs	0.67	35.58	0.28
Fruitland Coal	0.00	25.72	0.47
Sum	0.67	61.29	0.75

Allocations

	Oil	Gas	Water
Pictured Cliffs	100%	58%	38%
Fruitland Coal	0%	42%	62%
Total	100%	100%	100%