

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. 30-045-24768
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: FEDERAL 29
8. Well Number #23
9. OGRID Number 5380
10. Pool name or Wildcat BASIN FRUITLAND COAL/WEST KUTZ PC

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 type="checkbox"/> Other	7. Lease Name or Unit Agreement Name: FEDERAL 29
2. Name of Operator XTO Energy Inc.	8. Well Number #23
3. Address of Operator 382 CR 3100 AZTEC, NM 87410	9. OGRID Number 5380
4. Well Location Unit Letter K : 1630' feet from the FSL line and 1800' feet from the FWL line Section 29 Township 27N Range 11W NMMP NMMP County SAN JUAN	10. Pool name or Wildcat BASIN FRUITLAND COAL/WEST KUTZ PC
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6183'	

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 MAY 4'12
OIL CONS. DIV.
DIST. 3

OTHER: ☐

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 OGD Rule 19.15.12.11 C(2) in the W. Kutz Pictured Cliffs (79680) and the Basin Fruitland Coal (71629) Pools. Pools are in OGD pre-approved combinations per order R-11363. Please see attached spreadsheets for justification of proposed allocations.

West Kutz Pictured Cliffs Oil: 100% Gas: 5% Water: 6%
Basin Fruitland Coal Oil: 0% Gas: 95% Water: 94%

Ownership is diverse and notification to owners was sent out on 4/13/12. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The ELM was notified of our intent to DHC via Form 3160-5 on 4/19/12.

Spud Date:

Rig Release Date:

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

SIGNATURE Kristen D. Lynch TITLE REGULATORY ANALYST DATE 5/3/12
Type or print name KRISTEN D. LYNCH E-mail address: Kristen.Lynch@xtoenergy.com PHONE 505-333-3206

For State Use Only

APPROVED BY Charles R. TITLE SUPERVISOR DISTRICT #3 DATE 5-4-12
Conditions of Approval (if any): A

Monthly Production Rates

	OIL (Bbl/mo.)	GAS (KCF/mo.)	Water (Bbl/mo.)
Fruitland Coal	0	2386	72
Pictured Cliffs	0	135	5
Total	0	2520	77

Most recent 6-month average total well production minus assumed PC rate giving attributable F
Last 6 months average production from Federal 29-23 PC formation before well fell off of trend.

Percent Production			
	OIL	GAS	Water
Fruitland Coal	0%	95%	94%
Pictured Cliffs	100%	5%	6%
Total	100%	100%	100%

Last 6 months production from Federal 29-23 PC formation before well fell off of trend.

Date	Oil	Gas	Water
8/1/1993	0	175	5
9/1/1993	0	198	4
10/1/1993	0	137	4
11/1/1993	0	71	4
12/1/1993	0	115	5
1/1/1994	0	111	5

Last 6 months of production from the Federal 29-23 well

1/31/2011	0	2209	90
2/28/2011	0	1613	80
3/31/2011	0	2990	160
4/30/2011	0	2935	0
5/31/2011	0	2888	130
6/30/2011	0	2487	0



382 CR 3100
Aztec, NM 87410

April 13, 2012

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling
Federal 29 #23
Unit K, Sec 29, 27N, R11W

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the Basin Fruitland Coal and the West Kutz Pictured Cliffs, pools in the Federal 29 #23. Commingling of these pools will minimize operating costs, add reserves and improve economics of the well.

The proposed allocation percentages for each pool are as follows:

Basin Fruitland Coal	Gas: 95%	Water: 94%	Oil: 0%
West Kutz Pictured Cliffs	Gas: 5%	Water: 6%	Oil: 100%

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between zones. If you need additional information or have any questions, I may be contacted at (505) 333-3206. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

Kristen D. Lynch
Regulatory Analyst