

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

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

Form C-103

June 19, 2008

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.)		WELL API NO. 30-045-29115
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator XTO ENERGY INC.		6. State Oil & Gas Lease No. NMSF077875
3. Address of Operator 382 CR 3100 AZTEC, NM 87410		7. Lease Name or Unit Agreement Name: PO PIPKIN
4. Well Location Unit Letter J : 1780 feet from the SOUTH line and 1450 feet from the EAST line Section 07 Township 27N Range 10W NMPM NMPM County SAN JUAN		8. Well Number 05E
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5,891' GR		9. OGRID Number 5380
		10. Pool name or Wildcat BASIN DAKOTA/BASIN MANCOS

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 JUL 22 '13
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 an exception to NMOC Rule 19.15.12.9 to permit DHC of the Basin DK (71599) & the Basin MC (97232), they are pre-approved per order R-12984-B, upon approval of this application. Please see attached spreadsheet for justification of proposed allocations.

--Basin Dakota: Gas: 10% Oil: 8% Water: 33% --Basin Mancos: Gas: 90% Oil: 92% Water: 67%
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. BLM was notified of our intent to DHC via Form 3160-5 on 7/18/2013.

DHC 3844 A2

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 7/18/2013

Type or print name KRISTEN D. LYNCH E-mail address: kristen_lynch@xtoenergy.com PHONE 505-333-3206

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE JUL 26 2013

Conditions of Approval (if any):

PN

PO Pipkin #5E

	Oil	Gas	Water
Remaining Reserves (DKOT)	117	47497	3181
Reserves (MANCOS RC)(EUR)	1320	420660	6436

Allocations	Oil	Gas	Water
DKOT	8%	10%	33%
MANCOS	92%	90%	67%

(DAKOTA generated from current production)

(Mancos EUR generated from Breech A #175F)

(Water production calculated from daily volumes forecasted out at a 9% decline)