

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. 30-045-32050
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMSF-078872A
7. Lease Name or Unit Agreement Name: BOLACK 15
8. Well Number #3
9. OGRID Number
10. Pool name or Wildcat BASIN FRUITLAND COAL/W. KUTZ PC

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6296' GR
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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
2. Name of Operator XTO ENERGY INC.
3. Address of Operator 382 CR 3100 AZTEC, NM 87410
4. Well Location Unit Letter C 1075 feet from the NORTH line and 1690 feet from the WEST line Section 15 Township 27N Range 11W NMPM County SAN JUAN
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6296' 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: DOWNHOLE COMMINGLE

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

RCVD APR 21 '09
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 Inc. is requesting approval to downhole commingle product from the Basin Fruitland Coal (71629) and the W. Kutz Pictured Cliffs (79680) pools in the Bolack 15 #3. XTO Energy will DHC upon completion of the PC. Allocations are based on a 9-section EUR & calculated as follows:

Gas: FC 9% PC 91% Water: FC 0% PC 100% Oil: FC 0% PC 100%

Interests owners are diverse between pools & notification to owners was mailed via certified, return receipt on 3/6/09. Downhole commingling will offer an economical method for production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The BLM received our NOI sundry on form 3160-5.

DHC 3135 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 Lorri D. Bingham TITLE REGULATORY ANALYST DATE 4/20/09
Type or print name LORRI D. BINGHAM E-mail address: Lorri_bingham@xtoenergy.com PHONE (505) 333-3204

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE MAY 01 2009
Conditions of Approval (if any):

LEASE NAME	NO. RESERVOIR	1st PROD	LAST PROD	DLY O	DLY GAS	DLY WAT
BOLACK 15	3 FRUITLAND COAL	20040831	20080701	0	0.34	0
BOLACK, ALICE	5 PICTURED CLIFFS	19510731	20080701	0	68.8	0.9
SCHWERDTFEGER	5 PICTURED CLIFFS	19510731	20080701	0	16.1	0.9
BOLACK, ALICE	11 PICTURED CLIFFS	19510831	20080701	0	45.1	0.3
SCOTT E FEDERAL	1 PICTURED CLIFFS	19510831	20080701	0	21.5	0
BOLACK, ALICE	14 PICTURED CLIFFS	19520131	20080701	0	17.7	0.5
BOLACK, ALICE	2 PICTURED CLIFFS	19520131	20040601	0	50.4	0
BOLACK, ALICE	6 PICTURED CLIFFS	19520131	20080701	0	10.4	1.5
SCHWERDTFEGER	10 PICTURED CLIFFS	19520131	20080701	0	46.6	1.4
BOLACK, ALICE	13 PICTURED CLIFFS	19520229	20080701	0	72.7	1.8
BOLACK, ALICE	8 PICTURED CLIFFS	19520229	20080701	0	28.6	0
SCHWERDTFEGER	12 PICTURED CLIFFS	19520229	19990601	0	25.9	0
SCOTT E FEDERAL	3 PICTURED CLIFFS	19520229	20080701	0	35.1	0.1
BOLACK, ALICE	12 PICTURED CLIFFS	19520331	20060301	0	5.4	0
BOLACK, ALICE	7 PICTURED CLIFFS	19520331	19830701	0	38.2	0
FULLERTON FEDERAL COM	12 PICTURED CLIFFS	19811231	20050301	0	3.4	0.3
FULLERTON FEDERAL COM	15 PICTURED CLIFFS	19811231	20050401	0	0.3	0
SCOTT E FEDERAL	14 PICTURED CLIFFS	19820731	20080701	0	27.6	0
FULLERTON FEDERAL	2J PICTURED CLIFFS	19901031	20080701	0	60.6	0
FULLERTON FEDERAL	33 PICTURED CLIFFS	19911031	20080701	0	27.8	0
FULLERTON FEDERAL 11	34 PICTURED CLIFFS	19950430	20080701	0	73.6	2.1
SCOTT E FEDERAL	9 PICTURED CLIFFS	19980131	20080701	0	24.6	0.2
FULLERTON FEDERAL	14 PICTURED CLIFFS	20020930	20080701	0	22.4	0.1
				0	32.85455	0.45909

	Gas	Oil	Water
Fruitland Coal	1%	0%	0%
Pictured Cliffs	99%	100%	100%



382 CR 3100
Aztec, NM 87410

March 6, 2009

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling
Bolack 15 #3
Unit C, Sec 15, 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 W. Kutz Pictured Cliffs pools in the Bolack 15 #3. 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:

Fruitland Coal	Gas: 1%	Water: 0%	Oil: 0%
Pictured Cliffs	Gas: 99%	Water: 100%	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) 324-1090. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lorri D. Bingham', written over a horizontal line.

Lorri D. Bingham
Regulatory Compliance Tech

xc: well file