

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
811 South First, Artesia, NM 87210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-103  
Revised March 25, 1999

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. <b>30-045-30819</b>
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 <b>XTO Energy Inc.</b>		6. State Oil & Gas Lease No. <b>NMM 03380</b>
3. Address of Operator <b>2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401</b>		7. Lease Name or Unit Agreement Name: <b>Florance D</b>
4. Well Location Unit Letter <b>O</b> : <b>665</b> feet from the <b>South</b> line and <b>1,540</b> feet from the <b>East</b> line Section <b>21</b> Township <b>27N</b> Range <b>8W</b> NMPM County <b>San Juan</b>		8. Well No. <b>#14B</b>
10. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>6,048' GR</b>		9. Pool name or Wildcat <b>Otero Chacra/Blanco Mesaverde</b>

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input checked="" type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

12. 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 requests approval to downhole commingle this well in the following manner:

1. Perforate, acidize and frac the Blanco Mesaverde from approximately 4,400' - 4,500'.
2. Set RBP @ 4,200'.
3. Perforate, acidize and frac the Otero Chacra from approximately 3,100' - 3,250'.
4. TIH and pull RBP @ 4,200'.
5. TIH w/prod tbg. Swab well to flowing and turn to sales.

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

SIGNATURE Darrin Steed TITLE Operations Engineer DATE 4/29/02

Type or print name Darrin Steed Telephone No. 505-324-1090

(This space for State use)

APPROVED BY Original Signed by STEPHEN M. HAYDEN TITLE SENIOR OIL & GAS INSPECTOR, N.M. GEO DATE APR 29 2002

Conditions of approval, if any:



April 29, 2002

Mr. Frank Chavez  
New Mexico Oil Conservation Division  
1000 Rio Brazos Rd.  
Aztec, New Mexico 87410

RE: Administrative Approval to Downhole Commingle  
Florance D #14B  
665' FSL & 1,540' FEL  
Unit O, Section 21, T-27-N, R-8-W  
San Juan County, New Mexico



Dear Mr. Chavez:

XTO Energy, Inc hereby requests administrative approval to downhole commingle the above referenced well. Attached for your reference are the following exhibits:

1. Sundry Notice (NMOCD Form C-103)
2. Tabular and Graphical Production History used for Production Allocation

This well is currently permitted as a Blanco Mesaverde (72319). Offset logs analysis and economics show that the Otero Chacra (82329) will also be completed. Both zones are included in the pre-approved pools established by Division Order R-11363. The Blanco Mesaverde and Otero Chacra will be completed from approximately 4,400' – 4,500' and 3,100' – 3,250'. Based on production analysis of wells located in a nine section surrounding area the following allocation was determined:

Otero Chacra (82329)	Oil – 0%	Gas – 24%
Blanco Mesaverde (72319)	Oil – 100%	Gas – 76%

Both pools have common interest owners. Commingling both zones will not reduce the ultimate recovery of either pool. Downhole commingling will improve recovery of liquids, eliminate redundant surface equipment and maximize productivity. Once NMOCD approval has been received notice will be filed with the BLM on Form 3160-5 concerning this matter.