Submit 3 Copies To Appropriate District	State of New Mexico		,	Form C-103
Office District I	Energy, Minerals and Natural Resources			Revised March 25, 1999
1625 N. French Dr., Hobbs, NM 87240	55780		WELL API NO.	
District II	OIL CONSERVATION DIVISION		30-045-30932 5. Indicate Type of Lease	
811 South First, Artesia, NM 87210 District III	2040 South Pacheco		STATE X	
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM 87505AN 2002			
District IV 2040 South Pacheco, Santa Fe, NM 87505	•		5. State Oil & Gas I	_ease No.
(DO NOT USE THIS FORM FOR PROPODIFFERENT RESERVOIR. USE "APPLIC PROPOSALS.)	ES AND REPORTS ON WE SALS TO DRILL OR TO DEEPEN ATION FOR PERMIT" (FORM C-1	OR PLUG BACK TO A	7. Lease Name or U	Init Agreement Name:
1. Type of Well: Oil Well Gas Well X	Gas Well X Other			
2. Name of Operator			8. Well No.	
XIO Energy Inc.			#1	
3. Address of Operator			9. Pool name or Wildcat BASIN FRUITLAND COAL	
2700 Farmington Ave., Bldg. 4. Well Location	K. Ste 1 Farmington, NM	87401	BASIN FRUITLAND	COAL
	2254 feet from the	Ine and	698 feet from	n the EAST line
Section 27	Township 29N	Range 10W	NMPM	County SAN JUAN
Section 27	10. Elevation (Show whether			
11. Check A	Appropriate Box to Indicat	e Nature of Notice,	Report, or Other	Data
NOTICE OF INTE	ENTION TO:	SUB	SEQUENT REP	
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK		ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILL		PLUG AND ABANDONMENT
PULL OR ALTER CASING	MULTIPLE COMPLETION	CASING TEST AND CEMENT JOB		
OTHER:		OTHER: SPOD, SE	T & PT SURF CSG	X
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 recompilation.				
12/18/01 TO 12/22/01: Spudded 8-3/4" hole @ 6:00 p.m., 12/18/01. Drilled to 238' KB. Ran 5 joints 7", 20#, J-55 STC casing to 228' KB. Cemented casing w/150 sx Class "B" cement w/2% CaCl2 & 1/4# sx celloflake (15.6 ppg, 1.18 cuft/sx). Circ 8 bbls cement to surface. NU & PT BOP's & surface casing to 1,000 psig for 30 minutes. Held OK.				
Reached drillers TD of 2,074' KB @ 2:00 a.m., 12/21/01.				
Ran 47 joints 4-1/2" casi sx Type III w/2% CaCl2 & surface. Released Aztec	ng & set @ 2,071' KB. Ce 1/4#/sx celloflake (14.5 Well Service rig #507 @ 6	ppg, 1.41 cuft/sx)	. Circulated 17 l	HS followed by 130 bbls cement to
I hereby certify that the information above	s rue and complete to the best of	of my knowledge and beli	ef.	
SIGNATURE (W)	Patton Tr	TLE DRILLING ENGIN	KER]	DATE
Type or print name JEFF PAITON			Telepho	one No. 505-324-1090
(This space for State use) (This space for State use)			meneral bist 89	JAN -7 2002
	BY OHARLE T. PRINCH	BEPUTY OF & SAS!	PERFECTOR, BIAT, AS	ATE
APPROVED BYConditions of approval, if any:	11	TLE	D.	