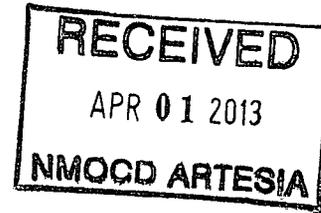


R. T. HICKS CONSULTANTS, LTD.

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March 25, 2013

Mr. Brad Jones
NMOCD
1220 S. St. Francis Drive
Santa Fe, NM
Via Certified Mail



RE: XTO Energy letter of intent for a temporary workover pit permit (Form C-144; 19.15.17 NMAC) to store treated produced water.

Dear Mr. Jones:

On the behalf of XTO Energy, R.T. Hicks Consultants is pleased to submit this letter of intent to use a temporary workover pit to store treated produced water using Halliburton's CleanWave water treatment technology. The temporary workover pit application will be submitted using Form C-144 under 19.15.17 NMAC. The treated produced water will be used in fracturing operations.

The proposed site of the temporary workover pit is an existing location, the Nash Unit SWD 53 located in Unit H, Sec 13, T23S, R29E (API #30-015-39400). Plate 1 shows the location of the Nash Unit SWD 53 that is also the location for the proposed temporary workover pit. Any treated produced water not used will be disposed of at Nash Unit SWD 53 salt water injection well.

XTO Energy will submit a separate permit application for treating produced water using Halliburton's CleanWave technology under 19.15.34 NMAC. Halliburton's CleanWave system will be located at the Nash Unit 53 SWD Battery located in Unit A, Sec 13, T23S, R29E (see Plate 1); approximately 1,000-feet northeast of the proposed temporary workover pit.

The treated produced water stored in the temporary workover pit will be used in fracturing operation for the following seven (7) horizontal wells. Plate 1 shows the proposed drill locations.

- Nash Unit #55H - Unit H, T23S. R29E. Sec 14
- Nash Unit #54H - Unit E, T23S. R29E. Sec 13
- Nash Unit #43H - Unit J, T23S. R29E. Sec 12
- Nash Unit #44H - Unit D, T23S. R30E. Sec 18
- Nash Unit #45H - Unit D, T23S. R30E. Sec 18
- Nash Unit #46H - Unit A, T23S. R30E. Sec 18
- Nash Unit #47H - Unit A, T23S. R30E. Sec 18

We will submit Form C-144 to Mr. Bratcher at the NMOCD District 2 office via certified mail/return receipt. We anticipate submitting Form C-144 by April 13, 2013.



32.307838N 103.933321W

Google earth



XTO NASH UT SWD 53
A-13-23-29

Battery
A-13-23-29

looks like Both are on STATE SURFACE