

25. April. 07

W. Jones

26 April. 07

DHC

PCLP0711630537

ABOVE THE LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Signature

Title

Date

E-mail Address



2007 APR 25 PM 12 34

2700 Farmington Ave, K-1 Farmington, NM 87401
Phone: (505) 324-1090 FAX: (505) 564-6700

April 23, 2007

Mr. Will Jones
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

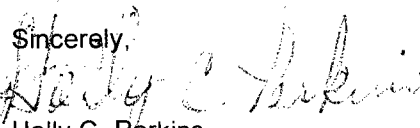
Subject: Application for Exception to Rule 303A
JF Day E #1G Downhole Commingle
30-045-33643 Sec 17-T28N-R10W
Basin Dakota/Otero Chacra/WC Basin Mancos
SF-047039B

Dear Mr. Jones:

Enclosed please find an administrative application form (C107A) and attachments for downhole commingling for the captioned well. By copy of this application by certified mail, return receipt requested, XTO has notified all offset operators in the formations captioned above as well as all affected interest owners. The Division Director may approve the proposed downhole commingling in the absence of any valid objections from any offset operator or any interest owners within 20 days after the receipt of the application if, in his opinion, waste will not result thereby, and correlative rights will not be violated.

Any questions pertaining to this matter, please call me at (505) 324-1090.

Sincerely,


Holly C. Perkins
Regulatory Compliance Tech

xc: Wellfile
OCD, Aztec Office

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well

☐ Establish Pre-Approved Pools

EXISTING WELLBORE

☐ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

XTO ENERGY INC.

2700 FARMINGTON AVE, SUITE K-1

FARMINGTON, NM 87401

Operator
JF DAY E #1G

Address
SEC 17D-T28N-R10W

SAN JUAN

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 5380 Property Code _____ API No. 30-045-33643 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	OTERO CHACRA	WILDCAT BASIN MANCOS	BASIN DAKOTA
Pool Code	82329	97232	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2982' 3108'	5696' 5870'	6390' 6610'
Method of Production (Flowing or Artificial Lift)	NEW DRILL	NEW DRILL	NEW DRILL
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	700	820	700
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	NEW ZONE
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas Water 0% 13% 6%	Oil Gas Water 60% 12% 3%	Oil Gas Water 40% 75% 91%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Holly C. Perkins TITLE DRILLING ASSISTANT DATE 4/23/2007

TYPE OR PRINT NAME HOLLY C. PERKINS TELEPHONE NO. (505) 324-1090

E-MAIL ADDRESS holly_perkins@xtoenergy.com

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, May 07, 2007 1:26 PM
To: 'Holly_Perkins@xtoenergy.com'
Cc: 'Lorri_Bingham@xtoenergy.com'; Ezeanyim, Richard, EMNRD
Subject: DHC Application: JF Day E #1G

Hello Holly:

For this DHC application to combine the Chacra, the Mancos, and the Dakota, the reservoir pressure rule applies since the depth to the bottom of the Dakota is more than 1.5 times the depth of the top of the Chacra. - see form C-107A.

Please ask your reservoir engineer for the average reservoir pressure in each of the three depths to be commingled in this well, and make sure he knows you are commingling the three zones. If he has no objections, then...

....reply to this email with those pressures and I will continue to process this application.

Thank You,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

CH = 700
MC = 820
DK = 700) *per Loren*
Fitzgill
5/9/07

Tracking:

Recipient

'Holly_Perkins@xtoenergy.com'
'Lorri_Bingham@xtoenergy.com'
Ezeanyim, Richard, EMNRD

Read

Read: 5/7/2007 2:24 PM

JF Day E #1G Allocation

Well Name	No. Operator	Sec Unit	Tw	Rng	Field	Reservoir	Cum Oil (mbo)	Cum Gas (mmcf)	Cum Wtr (mbbl)	EUR Oil (mbo)	EUR Gas (mmcf)
ANGEL PEAK	22 ENERGEN RESOURCES CORPORATION	7	28N	10W	OTERO	CHACRA	0	370	16	0	433
CAIN	23 BURLINGTON RESOURCES O&G CO LP	16 A	28N	10W	OTERO	CHACRA	0	403	0	0	510
CAIN	9E BURLINGTON RESOURCES O&G CO LP	16 D	28N	10W	OTERO	CHACRA	0	53	0	0	299
CAIN COM	12E BURLINGTON RESOURCES O&G CO LP	16 O	28N	10W	OTERO	CHACRA	0	564	0	0	849
CONGRESS LACHMAN	4E ENERGEN RESOURCES CORPORATION	18 C	28N	10W	OTERO	CHACRA	0	383	0	0	544
DAVIDSON GAS COM G	2 XTO ENERGY INCORPORATED	21 I	28N	10W	OTERO	CHACRA	0	25	0	0	701
DAY GAS COM	1 XTO ENERGY INCORPORATED	7 P	28N	10W	OTERO	CHACRA	0	115	3	0	363
DAY J	5 ENERGEN RESOURCES CORPORATION	8	28N	10W	OTERO	CHACRA	0	274	19	0	367
JF DAY D	1 XTO ENERGY INCORPORATED	20 B	28N	10W	OTERO	CHACRA	0	149	3	0	420
JF DAY D	1E XTO ENERGY INCORPORATED	20 P	28N	10W	OTERO	CHACRA	0	170	1	0	247
JF DAY E	2 XTO ENERGY INCORPORATED	17 N	28N	10W	OTERO	CHACRA	0	10	0	0	79
KEYS COM	2 FOUR STAR OIL & GAS COMPANY	32 L	29N	10W	OTERO	CHACRA	0	110	0	0	391
KEYS COM	3 FOUR STAR OIL & GAS COMPANY	32 E	29N	10W	OTERO	CHACRA	0	101	0	0	252
KUTZ FEDERAL	15 XTO ENERGY INCORPORATED	18 P	28N	10W	OTERO	CHACRA	0	4	0	0	39
KUTZ FEDERAL	11F XTO ENERGY INCORPORATED	20 L	28N	10W	OTERO	CHACRA	0	2	0	0	54
KUTZ FEDERAL GAS COM A	1 XTO ENERGY INCORPORATED	8 M	28N	10W	OTERO	CHACRA	0	411	1	0	574
MEXICO FEDERAL S	1 FOUR STAR OIL & GAS COMPANY	9 O	28N	10W	OTERO	CHACRA	0	286	0	0	347
REID B	3 BURLINGTON RESOURCES O&G CO LP	31	29N	10W	OTERO	CHACRA	0	480	0	0	546
REID B	1E ENERGEN RESOURCES CORPORATION	31 I	29N	10W	OTERO	CHACRA	0	423	5	0	572
REID B	2E BURLINGTON RESOURCES O&G CO LP	31	29N	10W	OTERO	CHACRA	0	270	0	0	350
STATE COM AD	26E CONOCOPHILLIPS COMPANY	36 I	29N	11W	OTERO	CHACRA	0	11	0	0	18
STATE GAS COM BZ	1 XTO ENERGY INCORPORATED	32 I	29N	10W	OTERO	CHACRA	0	998	3	0	1,419
WILSON	2 BURLINGTON RESOURCES O&G CO LP	31 G	29N	10W	OTERO	CHACRA	0	676	0	0	740
Average									2	0	440
CAIN	9 BURLINGTON RESOURCES O&G CO LP	16 K	28N	10W	BASIN	DAKOTA	43	6,347	1	44	6,590
CAIN	9E BURLINGTON RESOURCES O&G CO LP	16 D	28N	10W	BASIN	DAKOTA	3	547	1	4	712
CAIN COM	12 BURLINGTON RESOURCES O&G CO LP	16 A	28N	10W	BASIN	DAKOTA	36	5,082	4	38	5,328
CAIN COM	12E BURLINGTON RESOURCES O&G CO LP	16 O	28N	10W	BASIN	DAKOTA	9	1,481	2	11	1,835
CONGRESS LACHMAN	4 ENERGEN RESOURCES CORPORATION	18	28N	10W	BASIN	DAKOTA	48	3,738	1	48	3,766
CONGRESS LACHMAN	4E ENERGEN RESOURCES CORPORATION	18 C	28N	10W	BASIN	DAKOTA	2	148	1	2	192
DAVIDSON GAS COM G	1 XTO ENERGY INCORPORATED	21 H	28N	10W	BASIN	DAKOTA	80	7,630	2	80	8,054
DAVIDSON GAS COM G	2 XTO ENERGY INCORPORATED	21 I	28N	10W	BASIN	DAKOTA	0	29	2	1	664
DAVIDSON GAS COM G	1E XTO ENERGY INCORPORATED	21 O	28N	10W	BASIN	DAKOTA	7	1,189	4	7	1,470
DAY GAS COM	1 XTO ENERGY INCORPORATED	7 P	28N	10W	BASIN	DAKOTA	9	1,614	0	9	1,646
DAY GAS COM	1E XTO ENERGY INCORPORATED	7	28N	10W	BASIN	DAKOTA	4	675	2	5	1,488
FEDERAL E	1 XTO ENERGY INCORPORATED	17 G	28N	10W	BASIN	DAKOTA	49	5,801	2	49	6,210
FEDERAL E	1E XTO ENERGY INCORPORATED	17 O	28N	10W	BASIN	DAKOTA	1	156	6	1	549
FEDERAL E	1F XTO ENERGY INCORPORATED	17 B	28N	10W	BASIN	DAKOTA	1	65	1	4	887
JF DAY D	1 XTO ENERGY INCORPORATED	20 B	28N	10W	BASIN	DAKOTA	52	6,451	1	53	6,755

J F DAY D	2 XTO ENERGY INCORPORATED	20 H	28N	10W	BASIN	DAKOTA	1	124	8	3	833
J F DAY D	1E XTO ENERGY INCORPORATED	20 P	28N	10W	BASIN	DAKOTA	5	677	2	8	1,008
J F DAY E	1 XTO ENERGY INCORPORATED	17 L	28N	10W	BASIN	DAKOTA	23	3,488	1	23	3,738
J F DAY E	2 XTO ENERGY INCORPORATED	17 N	28N	10W	BASIN	DAKOTA	0	60	9	0	631
J F DAY E	1E XTO ENERGY INCORPORATED	17 E	28N	10W	BASIN	DAKOTA	3	383	2	4	535
KEYS COM	1 FOUR STAR OIL & GAS COMPANY	32 N	29N	10W	BASIN	DAKOTA	22	4,171	20	23	4,414
KEYS COM	1E FOUR STAR OIL & GAS COMPANY	32 F	29N	10W	BASIN	DAKOTA	5	731	6	6	850
KUTZ FEDERAL	10 XTO ENERGY INCORPORATED	18 G	28N	10W	BASIN	DAKOTA	33	5,227	2	34	5,547
KUTZ FEDERAL	11 XTO ENERGY INCORPORATED	20 N	28N	10W	BASIN	DAKOTA	38	4,592	1	39	4,991
KUTZ FEDERAL	12 XTO ENERGY INCORPORATED	21 M	28N	10W	BASIN	DAKOTA	65	6,958	2	65	7,396
KUTZ FEDERAL	15 XTO ENERGY INCORPORATED	18 P	28N	10W	BASIN	DAKOTA	0	33	0	0	674
KUTZ FEDERAL	11E XTO ENERGY INCORPORATED	20 C	28N	10W	BASIN	DAKOTA	0	171	35	2	822
KUTZ FEDERAL	11F XTO ENERGY INCORPORATED	20 L	28N	10W	BASIN	DAKOTA	0	32	1	3	397
KUTZ FEDERAL	12E XTO ENERGY INCORPORATED	21 D	28N	10W	BASIN	DAKOTA	0	1,735	1,283	1	2,937
KUTZ FEDERAL	14Y XTO ENERGY INCORPORATED	21 E	28N	10W	BASIN	DAKOTA	0	96	38	0	413
MEXICO FEDERAL K	1 FOUR STAR OIL & GAS COMPANY	9 M	28N	10W	BASIN	DAKOTA	32	4,018	2	32	4,018
MEXICO FEDERAL K	1E FOUR STAR OIL & GAS COMPANY	8 N	28N	10W	BASIN	DAKOTA	7	1,244	2	8	1,521
NEWMAN A	8 BURLINGTON RESOURCES O&G CO LP	19 H	28N	10W	BASIN	DAKOTA	33	5,137	1	33	5,137
NEWMAN A	8E BURLINGTON RESOURCES O&G CO LP	19 P	28N	10W	BASIN	DAKOTA	5	746	2	6	1,044
NEWMAN B	6 BURLINGTON RESOURCES O&G CO LP	19	28N	10W	BASIN	DAKOTA	24	2,594	0	24	2,729
NEWMAN B	6E BURLINGTON RESOURCES O&G CO LP	19 C	28N	10W	BASIN	DAKOTA	3	434	2	3	603
REID B	1 ENERGEN RESOURCES CORPORATION	31 K	29N	10W	BASIN	DAKOTA	7	2,212	14	3	2,316
REID B	2 BURLINGTON RESOURCES O&G CO LP	31 G	29N	10W	BASIN	DAKOTA	18	3,711	0	19	3,949
REID B	1E ENERGEN RESOURCES CORPORATION	31 I	29N	10W	BASIN	DAKOTA	2	302	7	2	438
REID B	2E BURLINGTON RESOURCES O&G CO LP	31	29N	10W	BASIN	DAKOTA	4	873	0	5	1,000
SKELLY GAS COM	1 XTO ENERGY INCORPORATED	32 A	29N	10W	BASIN	DAKOTA	25	3,497	4	26	3,852
SKELLY GAS COM	1E XTO ENERGY INCORPORATED	32 O	29N	10W	BASIN	DAKOTA	2	590	3	2	769
STATE A GAS COM	1 CONOCOPHILLIPS COMPANY	36 G	29N	11W	BASIN	DAKOTA	18	3,538	0	19	3,800
STATE A GAS COM	1E CONOCO INCORPORATED	36 E	29N	11W	BASIN	DAKOTA	9	1,112	7	10	1,400
STATE COM AD	26 CONOCOPHILLIPS COMPANY	36	29N	11W	BASIN	DAKOTA	25	4,454	3	26	4,691
STATE COM AD	26E CONOCOPHILLIPS COMPANY	36 I	29N	11W	BASIN	DAKOTA	2	308	1	3	333
Average									32	17	2,586
ARCO STATE	102 REDWOLF PRODUCTION INCORPORATED	36 D	29N	11W	ARMENTA	GALLUP	11	161	0	12	200
CONGRESS LACHMAN	4E ENERGEN RESOURCES CORPORATION	18 C	28N	10W	ARMENTA	GALLUP	3	366	1	4	435
FEDERAL 29 10 31	2S ENERGEN RESOURCES CORPORATION	31	29N	10W	ARMENTA	GALLUP	25	132	5	26	160
KEYS COM	1 FOUR STAR OIL & GAS COMPANY	32 N	29N	10W	ARMENTA	GALLUP	5	191	0	8	285
KEYS COM	1E FOUR STAR OIL & GAS COMPANY	32 F	29N	10W	ARMENTA	GALLUP	7	248	0	9	453
REID B	5 BURLINGTON RESOURCES O&G CO LP	31	29N	10W	ARMENTA	GALLUP	36	481	0	41	798
REID B	6 BURLINGTON RESOURCES O&G CO LP	31 J	29N	10W	ARMENTA	GALLUP	85	452	0	100	703
STATE COM AD	26E CONOCOPHILLIPS COMPANY	36 I	29N	11W	ARMENTA	GALLUP	1	54	0	2	259
STATE GAS COM BZ	1 XTO ENERGY INCORPORATED	32 I	29N	10W	ARMENTA	GALLUP	31	291	2	32	363
WILSON	3 BURLINGTON RESOURCES O&G CO LP	31 B	29N	10W	ARMENTA	GALLUP	18	267	0	19	350
Average									1	25	401

Allocation	Water	Oil	Gas
Chacra	6%	0%	13%
Dakota	91%	40%	75%
Gallup	3%	60%	12%

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

2700 Farmington Ave., Bldg. K. Ste 1 Farmington,

3b. Phone No. (include area code)

505-324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

770' FNL & 665' FWL SEC 17D-T28N-R10W

5. Lease Serial No.

SF047039B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

JF DAY E 1G

9. API Well No.

30-045-33643

10. Field and Pool, or Exploratory Area

BASIN DK/WC BASIN MANCOS

OTERO CHACRA

11. County or Parish, State

SAN JUAN NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Downhole

Comingle

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

XTO Energy, Inc. requests approval for an exception to NMOC Rule 303-C to permit DHC of production from the Basin Dakota, Otero Chacra & Wildcat Basin Mancos pools in the JF Day E #1G upon completion of this well.

Allocations are based upon a 9-section EUR and are caculated as follows:

Basin Dakota	Water	91%	Oil	40%	Gas	75%
Otero Chacra	Water	6%	Oil	0%	Gas	13%
WC Basin Mancos	Water	3%	Oil	60%	Gas	12%

Working Interest, net royalty interst & overriding royalty interest owners have been notified by certified, return receipt mail on October 23, 2006. The NMOC has been notified of our intent by submission of a C-103 on 4/23/2007. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

HOLLY C. PERKINS

Title

REGULATORY COMPLIANCE TECH

Date 4/23/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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
May 27, 2004

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

WELL API NO. 30-045-33643
5. Indicate Type of Lease STATE ☐ FEE ☐
6. State Oil & Gas Lease No. SF047039B
7. Lease Name or Unit Agreement Name: JF DAY E
8. Well Number 1G
9. OGRID Number 5380
10. Pool name or Wildcat CHACRA/DAKOTA/MANCOS

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 ☐ Gas Well ☒ Other
2. Name of Operator XTO Energy Inc.
3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401
4. Well Location Unit Letter D ; 770 feet from the NORTH line and 665 feet from the WEST line Section 17 Township 28N Range 10W NMPM County SJ
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5882' GR
Pit or Below-grade Tank Application ☒ or Closure ☐
Pit type WKO Depth to Groundwater >100 Distance from nearest fresh water well >1000 Distance from nearest surface water >1000
Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 COMPLETION ☐
OTHER: **DOWNHOLE COMMINGLE** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
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 approval to DHC production from the Basin Dakota, Otero Chacra & WC Basin Mancos in the JF Day E #1G upon completion of the well. Allocations are based on a 9-section EUR as follows:

Basin Dakota:	Water 91%	Oil 40%	Gas 75%
Otero Chacra:	Water 6%	Oil 0%	Gas 13%
WC Basin Mancos:	Water 3%	Oil 60%	Gas 12%

Working, net royalty & overriding royalty interest owners have been notified by certified, return receipt mail on 10/23/06. BLM was notified of our intent by C103. DHC offers an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been constructed or closed according to NMOCD guidelines ☒ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 4/23/2007

Type or print name **HOLLY C. PERKINS**

E-mail address: **holly_perkins@xtoenergy.com**

Telephone No. **505-324-1090**

For State Use Only

APPROVED BY _____ TITLE _____ DATE _____

Conditions of Approval, if any:

DISTRICT I
1625 N. French Dr. Hobbs NM 88240

DISTRICT II
1301 W. Grand Ave. Artesia NM 88210

DISTRICT III
1000 Rio Brazos Rd. Aztec NM 87410

DISTRICT IV
1220 South St. Francis Dr. Santa Fe NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form O-102
Revised June 10, 2003

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

11 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 71599	*Pool Name Basin Danota
*Property Code	*Property Name EE DAY E		*Well Number 10
*OCRD No 167067	*Operator Name VED ENERGY INC.		*Elevation 5882

10 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	1	28 N	16 W		100	NORTH	650	WEST	SAN JUAN

11 Bottom Hole Location if Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres 300 W/2					*Joint or Infill		*Consolidation Order		*Order No

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	12 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>Kelly K. Small</u> Signature <u>Kelly K. Small</u> Printed Name <u>Drilling Assistant</u> Title <u>5/12/05</u> Date
	13 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. <u>JOHN A. YURONICH</u> Signature <u>14831</u> Certificate Number

FILED
JUN 13 07 12 27

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

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1. AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 97232	*Pool Name BASIN MANCOS
*Property Code 167067	*Property Name J.C. DAY F		*Well Number 1G
*OCRID No	*Operator Name XTO ENERGY INC.		*Elevation 5882

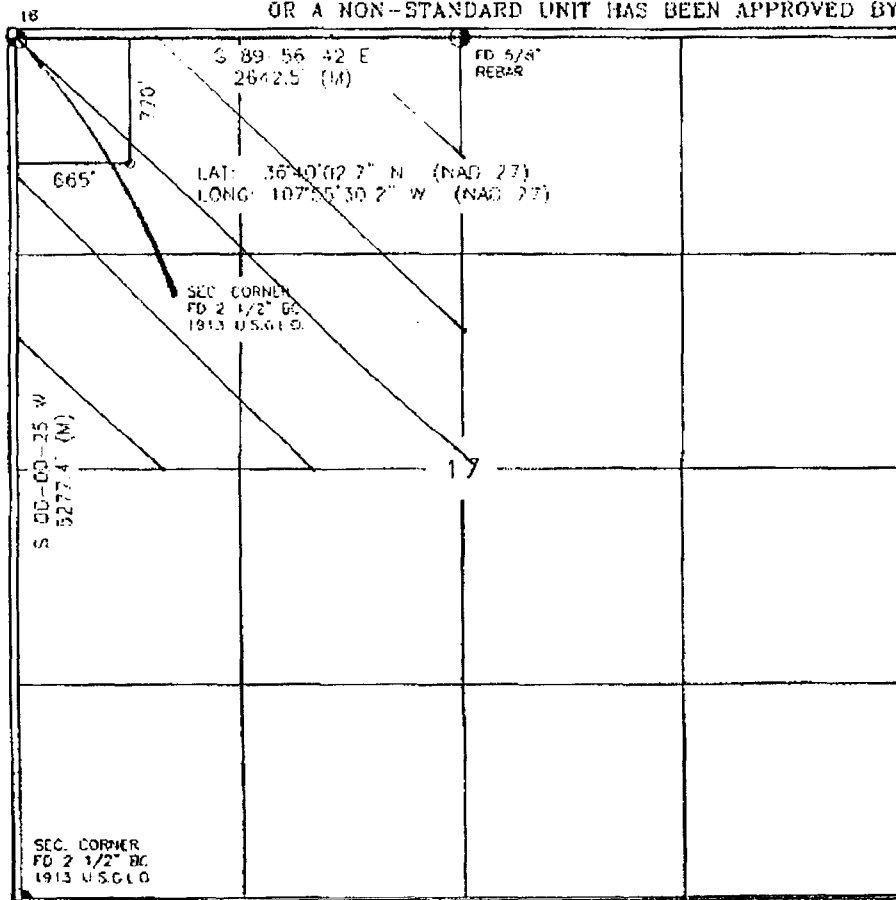
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	17	28-N	10-W		770	NORTH	665	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres NW/4 160		*Joint or Infill		*Consolidation Code		*Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

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

Kyle Vaughan
Signature

Kyle Vaughan
Printed Name

Regulatory Compliance
Title

3/10/06
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat
was plotted from field notes of actual surveys made by
me or under my supervision, and that the same is true
and correct to the best of my knowledge and belief

JANUARY 17, 2006
Date of Survey

JOHN A. WIRONICK
Signature

14831
Certificate Number

DISTRICT I
1625 N. French Dr. Hobbs, NM 88240

DISTRICT II
1701 V. Grand Ave., Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1200 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

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

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Revised June 10, 2003

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1 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number	*Pool Code 82329	*Pool Name Otero Chacra
*Property Code	*Property Name LF DAY F	*Well Number 10
*GRID No 11670167	*Operator Name KTO ENERGY INC.	*Elevation 5935'

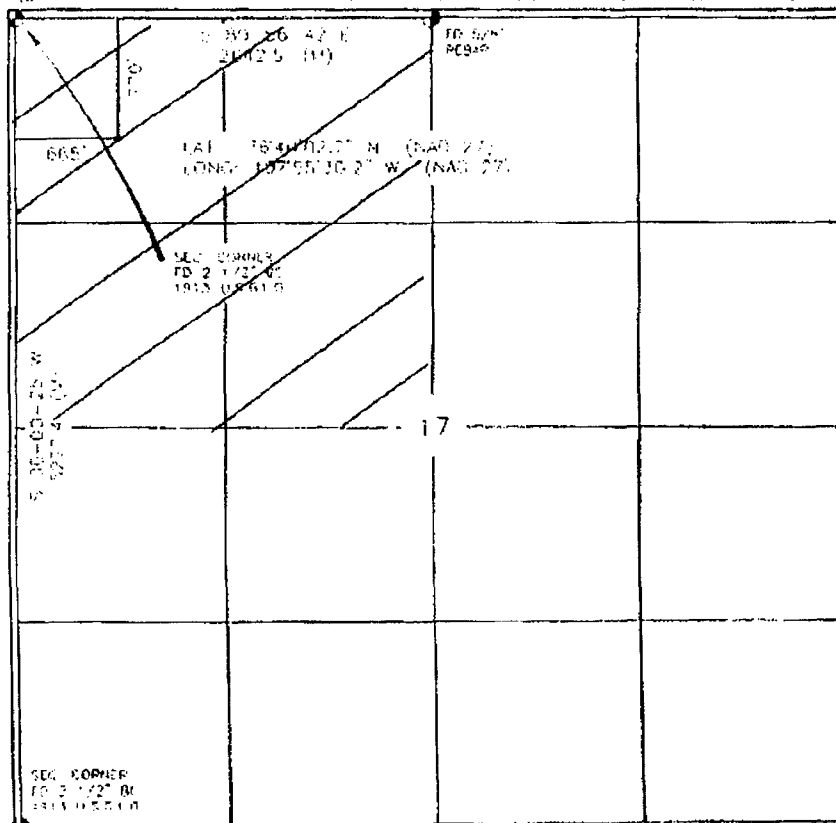
16 Surface Location

UL or lot no	Section	Township	Range	East 1/4	Feet from the	North/South line	Feet from the	East/West line	County
U	17	28 N	10 W		700	NORTH	660	WEST	SAN JUAN

17 Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	East 1/4	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated acres 160 NW 1/4			*Joint or Infill		*Consolidation Code		*Order No		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16  SEC. CORNER FD 2 1/2" BK 1915 00000		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>Heely K Small</u> Signature <u>Heely K Small</u> Printed Name <u>Drilling Assistant</u> Title <u>5/12/05</u> Date
18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. <u>JOHN A. VUKOBICH</u> Date of Survey <u>14831</u> Signature <u>150</u> Date <u>150</u> Certificate Number		