

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. <b>30-045-06143</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: <b>BOLACK C LS</b>
8. Well Number <b>7</b>
9. OGRID Number <b>5380</b>
10. Pool name or Wildcat <b>BASIN FRUITLAND COAL/SOUTH BLANCO PC</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc) <b>6695 GR</b>

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  
**382 CR 3100 AZTEC, NM 87410**

4. Well Location  
 Unit Letter **E** : **1840** feet from the **NORTH** line and **918** feet from the **WEST** line  
 Section **33** Township **27N** Range **8W** NMPM **NMPM** County **SAN JUAN**

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:

SUBSEQUENT REPORT OF:

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

OTHER:

RCVD OCT 27 '11  
 OIL CONS. DIV.

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 this well per NMOC Rule 19.15.12.11 C(2) in the FC (71629, 2546' - 2626') & the PC (72439, 2677'-2704'). XTO has been testing the FC & intends to DO CIBP @ 2655' & DHC upon approval of this application. Pool combinations are pre-approved per Order R-11363. Please see attachment for justification of the following proposed allocations.

Oil: PC 100% FC 0% Gas: PC 58% FC 42% Water: PC 38% FC 62%

Ownership is common in both zones; therefore notification was not necessary. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The BLM was notified of our intent to DHC via Form 3160-5 on 10/26/2011.

Spud Date:

DHC 3668AZ  
 Rig Release Date:

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

SIGNATURE Wanett McCauley TITLE REGULATORY COMPLIANCE TECH DATE 10/26/2011  
 Type or print name WANETT MCCAULEY E-mail address: wanett\_mccauley@xtoenergy.com PHONE 505-333-3630

For State Use Only  
 APPROVED BY Charles TITLE Deputy Oil & Gas Inspector, District #3 DATE NOV 14 2011

Conditions of Approval (if any):

Ar

**Production Summary Report**  
**API: 30-045-06143**  
**BOLACK C LS #7**

		Production				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Mar	0	73	0	7
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Apr	0	109	0	14
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	May	0	213	0	31
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Jun	0	328	80	23
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Jul	0	505	0	31
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Aug	0	116	0	16
2001	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Sep	0	474	0	11
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Aug	0	1778	0	31
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Sep	0	1644	0	27
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Oct	0	1951	0	31
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Nov	190	1410	0	30
2002	[72439] BLANCO P. C. SOUTH (PRORATED GAS)	Dec	0	1468	0	31
	<b>Sum</b>		<b>190</b>	<b>10069</b>	<b>80</b>	<b>283</b>
	<b>Average</b>		<b>0.671378092</b>	<b>35.58</b>	<b>0.28</b>	
2010	[71629] BASIN FRUITLAND COAL (GAS)	Sep	0	571	0	30
2010	[71629] BASIN FRUITLAND COAL (GAS)	Oct	0	397	0	31
2010	[71629] BASIN FRUITLAND COAL (GAS)	Nov	0	605	40	30
2010	[71629] BASIN FRUITLAND COAL (GAS)	Dec	0	653	40	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Jan	0	604	40	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Feb	0	686	50	28
2011	[71629] BASIN FRUITLAND COAL (GAS)	Mar	0	896	0	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Apr	0	964	0	30
2011	[71629] BASIN FRUITLAND COAL (GAS)	May	0	904	0	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Jun	0	964	0	30
2011	[71629] BASIN FRUITLAND COAL (GAS)	Jul	0	1070	0	31
2011	[71629] BASIN FRUITLAND COAL (GAS)	Aug	0	1072	0	31
	<b>Sum</b>		<b>0</b>	<b>9386</b>	<b>170</b>	<b>365</b>
	<b>Average</b>		<b>0</b>	<b>25.72</b>	<b>0.47</b>	

**Bolack C LS #7 DHC allocations**

12 MONTH AVERAGE OF LATEST PRODUCTION			
	OIL (BBL/D)	GAS (MCF/D)	WATER (BBL/D)
Pictured Cliffs	0.67	35.58	0.28
Fruitland Coal	0.00	25.72	0.47
<b>Sum</b>	<b>0.67</b>	<b>61.29</b>	<b>0.75</b>

**Allocations**

	Oil	Gas	Water
Pictured Cliffs	100%	58%	38%
Fruitland Coal	0%	42%	62%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>