

Submit 3 Copies To Appropriate District Office
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 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.
30-045-32194

5. Indicate Type of Lease
STATE ☒ FEE ☐
6. State Oil & Gas Lease No.

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, SUITE K-1, FARMINGTON, NM 87401

7. Lease Name or Unit Agreement Name

AZTEC COM 4

8. Well Number #2

9. OGRID Number
167067

10. Pool name or Wildcat
BASIN DK / BLANCO MV

4. Well Location

Unit Letter N : 540' feet from the SOUTH line and 2,020' feet from the WEST line
Section 16 Township 30N Range 11W NMPM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5,685' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ 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 COMPL ☐

OTHER: DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/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 Inc. requests approval for an exception to Rule 303-C to permit downhole commingling of production from the Basin Dakota (71599) and Blanco Mesaverde (72319) pools in the Aztec Com 4 #2. XTO is currently drilling this well and will downhole commingle these pools upon completion of the well. Both zones are included in the pre-approved pools established by Division Order R-11363. The proposed allocations are based on an approved DHC allocation for the Aztec Com 4 #1, an offset well located approximately 1/2 mile North of the Aztec Com 4 #2:

****CORRECTED ALLOCATIONS****

Basin Dakota	Oil 62%	Water 82%	Gas 25%
Blanco Mesaverde	Oil 38%	Water 18%	Gas 75%

Ownership in this well's pools is not common and notification to WI, ORRI and NRI owners has been done. No objections were received. Downhole commingling will offer an economic method of production while protecting against reservoir damage, waste of reserves and 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/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Kelly K. Small TITLE REGULATORY COMPLIANCE TECH DATE 01/14/05

Type or print name KELLY K. SMALL E-mail address: regulatory@xtoenergy.com Telephone No. 505-324-1090
For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE JAN 18 2005
Conditions of Approval (if any): Notify State land office



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

December 14, 2004

RE: Notice of Intent to Apply for Downhole Commingling

Aztec Com 4 #2
Sec 16N, T30N, R11W, 540' FSL & 2020' FWL
San Juan County, NM

To: All working interest, net royalty interest and overriding royalty interest owners.

XTO Energy Inc. is applying for permission to downhole commingle the Basin Dakota and the Blanco Mesaverde Pools in Aztec Com 4 #2. This is a new well that we plan to spud in late December, 2004 or early January, 2005. We propose to downhole commingle production from both pools upon initial completion. NMOCDD requires all interest owners be notified of intent to downhole commingle if ownership is different between pools.

Both of these pools are included in the New Mexico Oil Conservation Division pre-approved pool combinations for downhole commingling in the San Juan Basin. The proposed allocations are based on an approved DHC allocation for the Aztec Com 4 #1, an offset well located approximately 1/2 mile north of the Aztec Com 4 #2.

Pool	Oil	Water	Gas
Basin Dakota	62%	82%	25%
Blanco Mesaverde	38%	18%	75%

If you are opposed to commingling production from these two pools please respond in writing within 20 days of the date of this letter to XTO Energy, Inc., 2700 Farmington Avenue, Suite K-1, Farmington, NM 87401.

Sincerely,

A handwritten signature in cursive script that reads 'Holly C. Perkins'.

Holly C. Perkins
Regulatory Compliance Tech

xc: Well File
FW Land Dept.

Aztec Com 4 #2 DK/MV DHC owner list

Commissioner of Public Lands
New Mexico State Land Office

Glacier Park Company
% Burlington Resources Oil &
Gas Company LP
P.O. Box 4289
Farmington, NM 87499-0656

ConocoPhillips Company
P. O. Box 2197
Houston, Texas 77252-2197