

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. 30-045-25144
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: EH PIPKIN
8. Well Number 18
9. OGRID Number 5380
10. Pool name or Wildcat BASIN FRUITLAND COAL/FULCHER KUTZ PC

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	7. Lease Name or Unit Agreement Name: EH PIPKIN
2. Name of Operator XTO Energy Inc.	8. Well Number 18
3. Address of Operator 382 CR 3100 AZTEC, NM 87410	9. OGRID Number 5380
4. Well Location Unit Letter M : 1020 feet from the SOUTH line and 790 feet from the WEST line Section 12 Township 27N Range 11W NMPM NMPM County SAN JUAN	10. Pool name or Wildcat BASIN FRUITLAND COAL/FULCHER KUTZ PC
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6001' GR	

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: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including the 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 OCD Rule 19.15.12.11 C(2) in the FC (71629, 1570' - 1780') and the PC (77200, 1846'-1792') upon recompletion of the PC. Pools are pre-approved per Order R-11363. Please see attached spreadsheets for justification of proposed allocations.

Basin Fruitland Coal	Oil: 0%	Gas: 12%	Water: 15%
Fulcher Kutz Pictured Cliffs	Oil: 100%	Gas: 88%	Water: 85%

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 BIM was notified of our intent to DHC via Form 3160-5 on 6/20/2011.

Spud Date:

1 DHC # 3620 AZ

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 REG COMPLIANCE TECHNICIAN DATE 6/20/2011  
Type or print name WANETT MCCAULEY E-mail address: wanett\_mccauley@xtoenergy.com PHONE 505-333-3630

For State Use Only

APPROVED BY Char TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

VV

Allocations are based off of the existing Fruitland Coal production previous 6-month average and an average of post-1980 Pictured Cliff producers' first 6-month production averages.

**Monthly Production Rates**

	<b>OIL (Bbl/mo.)</b>	<b>GAS (KCF/mo.)</b>	<b>Water (Bbl/mo.)</b>	
<b>Fruitland Coal</b>	0	767	18	Average production for last 6 months in EH Pipkin 18
<b>Pictured Cliffs</b>	0	5509	105	6-month average initial production from surrounding post-1980 Pictured Cliffs wells
<b>Total</b>	0	6275	124	

<b>Percent Production</b>			
	<b>OIL</b>	<b>GAS</b>	<b>Water</b>
<b>Fruitland Coal</b>	0%	12%	15%
<b>Pictured Cliffs</b>	100%	88%	85%
<b>Total</b>	100%	100%	100%

**Existing EH Pipkin 18 Fruitland Coal production**

<b>Date</b>	<b>Oil</b>	<b>Gas</b>	<b>Water</b>
8/31/2010	0	893	80
9/30/2010	0	868	0
10/31/2010	0	859	0
11/30/2010	0	756	20
12/31/2010	0	732	10
1/31/2011	0	491	0

**Initial Pictured Cliffs production from well comparable to Pipkin EH 18 PC interval**

**Pipkin EH 19**

	KCF/Mo.	BW/Mo.
Jul-82	4411	0
Aug-82	5748	0
Sep-82	5351	0
Oct-82	3498	0
Nov-82	3720	0
Dec-82	3904	0
<b>AVERAGE</b>	<b>4439</b>	<b>0</b>

**Fullerton Fed 13-24**

	KCF/Mo.	BW/Mo.
Apr-95	6370	588
May-95	7577	317
Jun-95	6770	238
Jul-95	7051	251
Aug-95	6656	231
Sep-95	5826	175
<b>AVERAG</b>	<b>6708</b>	<b>300</b>

**Fullerton Fed 11-34**

	KCF/Mo.	BW/Mo.
5/31/1995	7173	348
6/30/1995	7115	211
7/31/1995	6905	194
8/31/1995	7156	215
9/30/1995	7026	186
10/31/1995	6768	127
<b>AVERAGE</b>	<b>7024</b>	<b>214</b>

**U.S. Argo 3**

	KCF/Mo.	BW/Mo.
Nov-87	4568	0
Dec-87	4657	0
Jan-88	5129	0
Feb-88	4805	0
Mar-88	5497	0
Apr-88	3996	0
<b>AVERAG</b>	<b>4775</b>	<b>0</b>

**Fullerton Fed 14-33**

	KCF/Mo.	BW/Mo.
Oct-91	5416	17
Nov-91	5079	13
Dec-91	3761	0
Jan-92	3833	13
Feb-92	4214	9
Mar-92	5280	22
<b>AVERAGE</b>	<b>4597</b>	<b>12</b>