

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.

30-045-32640

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

EH PIPKIN

8. Well Number

8F

9. OGRID Number

5380

10. Pool name or Wildcat

BASIN DAKOTA/KUTZ GALLUP

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 K : 1460 feet from the SOUTH line and 2600 feet from the WEST line

Section 1 Township 27N Range 11W NMPM NMPM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

5750' 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: AMEND DHC ALLOCATIONS

☒

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. would like to revise the DHC (DHC-1767AZ) allocations for this well as follows:

|              |          |          |            |
|--------------|----------|----------|------------|
| Basin Dakota | Oil: 62% | Gas: 84% | Water: 32% |
| Kutz Gallup  | Oil: 38% | Gas: 16% | Water: 68% |

Please see the attached spreadsheets for justification of proposed allocations.

Spud Date:

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 TECH

DATE 10/11/2011

Type or print name WANETT MCCAULEY

E-mail address: wanett\_mccauley@xtoenergy.com

PHONE 505-333-3630

For State Use Only

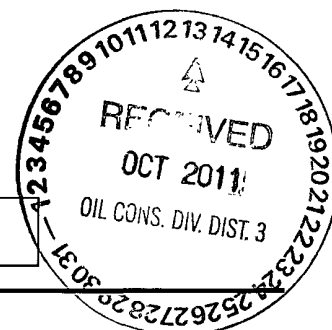
APPROVED BY Charles R

TITLE

DATE

Conditions of Approval (if any):

A



The allocations are based on the 6-month average production increase in an already producing Dakota well by adding the Gallup interval, as well as the 6-month average initial production seen from 80-acre Dakota-only wells.

**Monthly Production Rates**

|               | <b>OIL (Bbl/mo.)</b> | <b>GAS (KCF/mo.)</b> | <b>Water (Bbl/mo.)</b> |                                                                                                                             |
|---------------|----------------------|----------------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| <b>Gallup</b> | 96                   | 1471                 | 74                     | Average production increase after adding Gallup in offset 9-section wells                                                   |
| <b>Dakota</b> | 154                  | 8009                 | 34                     | Average allocated production Dakota only wells in 1st 6 months of production and before Gallup zone was added later in life |
| <b>Total</b>  | 250                  | 9480                 | 108                    |                                                                                                                             |

| <b>Percent Production</b> |            |            |              |
|---------------------------|------------|------------|--------------|
|                           | <b>OIL</b> | <b>GAS</b> | <b>Water</b> |
| <b>Gallup</b>             | 38%        | 16%        | 68%          |
| <b>Dakota</b>             | 62%        | 84%        | 32%          |
| <b>Total</b>              | 100%       | 100%       | 100%         |

**EH Pipkin 10E - Dakota Only**

|                | <b>BO/Mo.</b> | <b>KCF/Mo.</b> | <b>BW/Mo.</b> |  |
|----------------|---------------|----------------|---------------|--|
| Dec-80         | 88            | 8774           | 22            |  |
| Jan-81         | 69            | 7656           | 34            |  |
| Feb-81         | 38            | 6500           | 38            |  |
| Mar-81         | 62            | 5115           | 31            |  |
| Apr-81         | 54            | 5213           | 27            |  |
| May-81         | 59            | 4270           | 29            |  |
| <b>AVERAGE</b> | <b>62</b>     | <b>6255</b>    | <b>30</b>     |  |

**Fullerton Fed 6R - Dakota Only**

|                | <b>BO/Mo.</b> | <b>KCF/Mo.</b> | <b>BW/Mo.</b> |                                                                                 |
|----------------|---------------|----------------|---------------|---------------------------------------------------------------------------------|
| Sep-05         | 0             | 8205           | 80            |                                                                                 |
| Oct-05         | 8             | 9471           | 26            |                                                                                 |
| Nov-05         | 8             | 7864           | 23            |                                                                                 |
| Dec-05         | 82            | 7682           | 0             |                                                                                 |
| Jan-06         | 1             | 7515           | 23            |                                                                                 |
| Feb-06         | 9             | 6458           | 102           |                                                                                 |
| <b>AVERAGE</b> | <b>18</b>     | <b>7866</b>    | <b>42</b>     | Used months 7-12 of production because of unusually high rates for 80-acre well |

**EH Pipkin 12E - Dakota Only**

|                | <b>BO/Mo.</b> | <b>KCF/Mo.</b> | <b>BW/Mo.</b> |  |
|----------------|---------------|----------------|---------------|--|
| Oct-80         | 775           | 14331          | 31            |  |
| Nov-80         | 283           | 8746           | 22            |  |
| Dec-80         | 445           | 10549          | 32            |  |
| Jan-81         | 385           | 9739           | 32            |  |
| Feb-81         | 159           | 8938           | 27            |  |
| Mar-81         | 248           | 7140           | 31            |  |
| <b>AVERAGE</b> | <b>383</b>    | <b>9907</b>    | <b>29</b>     |  |

The 3 wells shown below lie in the 9-section around the EH Pipkin 8F well where Gallup production was commingled with a late-life Dakota well or produced by itself.

**EH Pipkin 10E - Gallup Only**

|                | BO/Mo.     | KCF/Mo.     | BW/Mo.     |
|----------------|------------|-------------|------------|
| Aug-03         | 401        | 2921        | 160        |
| Sep-03         | 100        | 2235        | 105        |
| Oct-03         | 89         | 2144        | 190        |
| Nov-03         | 46         | 1388        | 90         |
| Dec-03         | 104        | 1752        | 115        |
| Jan-04         | 48         | 1618        | 100        |
| <b>AVERAGE</b> | <b>131</b> | <b>2010</b> | <b>127</b> |

**Fullerton Fed 6R - Gallup Only**

|                | BO/Mo.    | KCF/Mo.    | BW/Mo.    |
|----------------|-----------|------------|-----------|
| Jun-08         | 194       | 2075       | 42        |
| Jul-08         | 93        | 1140       | 92        |
| Aug-08         | 83        | 587        | 7         |
| Sep-08         | 68        | 113        | 42        |
| Oct-08         | 47        | 188        | -38       |
| Nov-08         | 42        | -152       | 2         |
| <b>AVERAGE</b> | <b>88</b> | <b>659</b> | <b>24</b> |

|            | Oil              | Gas  | Water | Oil              | Gas  | Water | Oil             | Gas  | Water |            | Oil                                      | Gas  | Water |
|------------|------------------|------|-------|------------------|------|-------|-----------------|------|-------|------------|------------------------------------------|------|-------|
|            | Mancos Allocated |      |       | Dakota Allocated |      |       | Total Allocated |      |       |            | Last Dakota production before Mancos add |      |       |
| 6/30/2008  | 135              | 1370 | 36    | 70               | 5481 | 44    | 205             | 6851 | 80    | 11/30/2007 | 6                                        | 4969 | 0     |
| 7/31/2008  | 69               | 1183 | 60    | 35               | 4733 | 70    | 104             | 5916 | 130   | 12/31/2007 | 8                                        | 5150 | 0     |
| 8/31/2008  | 62               | 1073 | 21    | 32               | 4290 | 24    | 94              | 5363 | 45    | 1/31/2008  | 10                                       | 4910 | 80    |
| 9/30/2008  | 52               | 978  | 36    | 27               | 3911 | 44    | 79              | 4889 | 80    | 2/29/2008  | 16                                       | 4472 | 70    |
| 10/31/2008 | 38               | 993  | 0     | 20               | 3971 | 0     | 58              | 4964 | 0     | 3/31/2008  | 14                                       | 4715 | 0     |
| 11/30/2008 | 35               | 925  | 18    | 18               | 3699 | 22    | 53              | 4624 | 40    | 4/30/2008  | 13                                       | 4439 | 80    |

**EH Pipkin 12E - Gallup Only**

|                | BO/Mo.    | KCF/Mo.     | BW/Mo.    |
|----------------|-----------|-------------|-----------|
| Nov-10         | 48        | 2907        | 147       |
| Dec-10         | 93        | 1724        | -10       |
| Jan-11         | 93        | 1756        | 107       |
| Feb-11         | 59        | 1305        | 74        |
| Mar-11         | 83        | 1473        | 37        |
| Apr-11         | 39        | 1299        | 67        |
| <b>AVERAGE</b> | <b>69</b> | <b>1744</b> | <b>70</b> |

|            | Oil              | Gas  | Water | Oil              | Gas  | Water | Oil             | Gas  | Water |            | Oil                                      | Gas  | Water |
|------------|------------------|------|-------|------------------|------|-------|-----------------|------|-------|------------|------------------------------------------|------|-------|
|            | Mancos Allocated |      |       | Dakota Allocated |      |       | Total Allocated |      |       |            | Last Dakota production before Mancos add |      |       |
| 11/30/2008 | 46               | 2439 | 144   | 4                | 1462 | 16    | 50              | 3901 | 160   | 12/31/2007 | 1                                        | 811  | 0     |
| 12/31/2008 | 87               | 1693 | 3     | 8                | 1025 | 0     | 95              | 2718 | 3     | 1/31/2008  | 0                                        | 985  | 0     |
| 1/31/2009  | 87               | 1713 | 109   | 8                | 1037 | 11    | 95              | 2750 | 120   | 2/29/2008  | 7                                        | 1004 | 0     |
| 2/28/2009  | 56               | 1431 | 79    | 5                | 868  | 8     | 61              | 2299 | 87    | 3/31/2008  | 6                                        | 1110 | 80    |
| 3/31/2009  | 78               | 1535 | 45    | 7                | 932  | 5     | 85              | 2467 | 50    | 4/30/2008  | 0                                        | 1030 | 0     |
| 4/30/2009  | 38               | 1426 | 72    | 3                | 867  | 8     | 41              | 2293 | 80    | 5/31/2008  | 0                                        | 1024 | 0     |