

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. 30-045-13035
5. Indicate Type of Lease STATE ☐ FEE ☐
6. State Oil & Gas Lease No. NMSF-078641
7. Lease Name or Unit Agreement Name: BERGER A
8. Well Number #1
9. OGRID Number 5380
10. Pool name or Wildcat BASIN DAKOTA/GALLEGOS 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 CA # NMM-73541	7. Lease Name or Unit Agreement Name: BERGER A
2. Name of Operator XTO Energy Inc.	8. Well Number #1
3. Address of Operator 382 CR 3100 Aztec New Mexico 87410	9. OGRID Number 5380
4. Well Location Unit Letter J : 1650 feet from the SOUTH line and 1850 feet from the EAST line Section 21 Township 26N Range 11W NMPM County SAN JUAN	10. Pool name or Wildcat BASIN DAKOTA/GALLEGOS GALLUP
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6222'	

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 ☐ RCVD JAN 14 '13
OIL CONS. DIV.
DIST. 3

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 fr/the Basin DK (71599) & the Gallegos GP (26980) upon approval of this application. Both Pools are in the NMCD pre-approved pool combinations per order R-11363. Allocations are based on average production & are calculated as follows:

Basin DK: Gas: 11% Water: 8% Oil: 0% Gallegos GP: Gas: 89% Water: 92% Oil: 100%

Ownership is diverse & owners were notified via certified, return receipt mail on 11/26/2012. DHC will offer and economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. BLM notified via form 3160-5 in 1/10/13.

DHC 3780 A7

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 Kristen D. Lynch TITLE REGULATORY ANALYST DATE 1/10/2013
Type or print name KRISTEN D. LYNCH E-mail address: kristen_lynch@xtoenergy.com PHONE 505-333-3206

For State Use Only

APPROVED BY Wm F. Hogg Deputy Oil & Gas Inspector, District #3 DATE MAR 05 2013

Conditions of Approval (if any):

Av

Berger A #1

Allocations were determined by using the 6 Dakota wells in the 9-section that had the Gallup zone added to commence commingled production and calculating the wells' average rate increases from producing the Gallup zone.

Monthly Production Rates

	OIL (Bbl/mo.)	GAS (KCF/mo.)	Water (Bbl/mo.)
Dakota	0	532	7
Gallup	111	4197	80
Total	111	4728	87

Average production for last 6 months in Berger A-1

6-month average production increase from adding commingled Gallup to Dakota production in 9-section

Percent Production			
	OIL	GAS	Water
Dakota	0%	11%	8%
Gallup	100%	89%	92%
Total	100%	100%	100%

Date	Oil	Gas	Water
2/28/2009	0	605	0
3/31/2009	0	386	0
4/30/2009	0	574	0
5/31/2009	0	558	0
6/30/2009	0	554	0
7/31/2009	0	512	40

Berger 3

Before Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Nov-00	13	1418	10
Dec-00	17	1936	0
Jan-01	23	1914	0
Feb-01	10	1261	0
Mar-01	0	1476	0
Apr-01	7	1249	0
AVERAGE	12	1542	2

After Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Dec-01	127	6612	107
Jan-02	184	8723	70
Feb-02	132	6927	0
Mar-02	116	7032	80
Apr-02	169	6702	0
May-02	155	6580	80
AVERAGE	147	7096	56

Increase 136 5554 55

Caldwell A-1

Before Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Nov-05	12	809	0
Dec-05	11	505	0
Jan-06	8	571	0
Feb-06	18	1643	0
Mar-06	19	1585	80
Apr-06	4	774	0
AVERAGE	12	981	13

After Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
May-06	212	3727	75
Jun-06	204	3206	160
Jul-06	190	2832	35
Aug-06	195	2765	80
Sep-06	221	2613	0
Oct-06	174	2547	0
AVERAGE	199	2948	58

Increase 187 1967 45

Blackrock C-1

Before Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Jan-03	30	729	0
Feb-03	14	1028	0
Mar-03	53	986	0
Apr-03	0	837	0
May-03	15	764	0
Jun-03	1	593	0
AVERAGE	19	823	0

After Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Oct-03	169	10160	205
Nov-03	175	9793	205
Dec-03	112	10043	205
Jan-04	163	10341	205
Feb-04	231	11005	205
Mar-04	204	11084	110
AVERAGE	176	10404	189

Increase 157 9582 189

OH Randel 6

Before Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Jul-06	17	3300	80
Aug-06	11	3281	0
Sep-06	8	3090	0
Oct-06	11	3189	0
Nov-06	11	2914	0
Dec-06	15	2816	80
AVERAGE	12	3098	27

After Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Apr-07	48	2892	75
May-07	52	3497	80
Jun-07	37	2929	40
Jul-07	37	3190	135
Aug-07	45	2813	0
Sep-07	42	3062	0
AVERAGE	44	3064	55

Increase 31 -35 28

OH Randel 7

Before Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Nov-05	3	1398	80
Dec-05	0	1115	0
Jan-06	5	1479	45
Feb-06	5	1289	80
Mar-06	2	1400	40
Apr-06	1	1429	0
AVERAGE	3	1352	41

After Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Jan-07	25	1411	0
Feb-07	101	1926	310
Mar-07	41	2146	160
Apr-07	185	2624	180
May-07	99	2640	110
Jun-07	42	2360	373
AVERAGE	82	2185	189

Increase 80 833 148

Western C-1

Before Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
Jul-03	16	972	5
Aug-03	16	1229	5
Sep-03	0	1208	5
Oct-03	1	1157	5
Nov-03	0	1238	5
Dec-03	0	1465	5
AVERAGE	6	1212	5

After Gallup Add

	BO/Mo.	KCF/Mo.	BW/Mo.
May-04	120	9292	15
Jun-04	116	6990	15
Jul-04	10	9545	15
Aug-04	71	8738	15
Sep-04	110	8134	15
Oct-04	66	8256	40
AVERAGE	82	8493	19

Increase 77 7281 14



382 CR 3100
Aztec, NM 87410

November 26, 2012

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling
Berger A #1
Unit J, Sec 21, T26N, R11W

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the, Basin Dakota and the Gallegos Gallup pools in the Berger A #1 gas well. Commingling of these pools will minimize operating costs, add reserves and improve economics of the well.

The proposed allocation percentages for each pool are as follows:

Basin Dakota	Gas: 11 %	Water: 8%	Oil: 0 %
Gallegos Gallup	Gas: 89 %	Water: 92%	Oil: 100 %

NMOCD requires all interest owners be notified of intent to downhole commingle if ownership is different between zones. If you need additional information or have any questions, I may be contacted at (505) 333-3206. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

A handwritten signature in black ink that reads "Kristen D. Lynch". The signature is fluid and cursive.

Kristen D. Lynch
Regulatory Analyst