State of New Mexico Form C-103 Submit 3 Copies To Appropriate District Energy, Minerals and Natural Resource Office May 27, 2004 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-039-29659 District II OIL CONSERVATION DIVISI 1301 W. Grand Ave., Artesia, NM 88210 Indicate Type of Lease 1220 South St. Francisco Santa Fe, NM 87505 District III STATE FEE 1000 Rio Brazos Rd., Aztec, NM 87410 District IV State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 JIC-154 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A JICARILLA APACHE DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well x Other #14F 9. OGRID Number 2. Name of Operator 167067 XTO Energy Inc. 10. Pool name or Wildcat 3. Address of Operator BASIN DAKOTA/BLANCO MESAVERDI 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401 4. Well Location 1105 950 NORTH line and feet from the Unit Letter feet from the **Township** NMPM 26N Range County SAN JUAN Section 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 65531 Pit or Below-grade Tank Application X or Closure Pit type DRILL Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water >1000' Below-Grade Tank: Volume___ Pit Liner Thickness: _bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND **TEMPORARILY ABANDON ABANDONMENT PULL OR ALTER CASING** MULTIPLE CASING TEST AND **CEMENT JOB** COMPLETION \mathbf{x} OTHER: DOWNHOLE COMMUNGLE 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 aproval to downhole commingle production from the Basin Dakota (71599) and the Blanco Mesaverde (72319) upon completion. The proposed allocations are based upon individual pool average production of wells located in a 9-section surrounding area: Basin Dakota: Water: 47% Oil: 59% Gas: 76% Blanco Mesaverde: Water: 53% Oil: 41% Ownership is common between pools & notice to owners was unmecessary. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & protection of correlative rights. The BIM has been notified of our intent via submission of form 3160-5. 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 belowgrade tank has been/will be constructed or closed a gording to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan REGULATORY COMPLIANCE TECH DATE SIGNATURE. TITLE_ E-mail address: Regulatory@xtoenergy.com Type or print name HOLLY C. PERKINS Telephone No. 505-324-1090 DEPUTY OIL & GAS INSPECTOR, DIST. @ For State Use Only _DATE _APR 1 3 2006 APPROVED BY_

Conditions of Approval, if any: