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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

RCVD DEC20'06
OIL CONS. DIV.
DIST. 3

WELL API NO.
30-045-34065

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.)

7. Lease Name or Unit Agreement Name
Danburg Gas Com B

1. Type of Well: Oil Well ☐ Gas Well X Other

8. Well Number #1F

2. Name of Operator
XTO ENERGY INC.

9. OGRID Number
5380

3. Address of Operator
2700 FARMINGTON AVE, SUITE K-1, FARMINGTON, NM 87401

10. Pool name or Wildcat

4. Well Location
Unit Letter H : 1415 feet from the NORTH line and 240 feet from the EAST line
Section 21 Township 30N Range 12W NMPM County SJ

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
5628' GROUND ELEVATION

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:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	X	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
OTHER: ADD BOTTOM HOLE	☐			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, has decided to drill this well directionally. Please see attached revised drilling program and plat.

Surf: 1415' FNL x 240' FEL Sec 21, T30N, R12W
BH: 2000' FNL x 700' FEL Sec 21, T30N, R12W

HOLD C104 FOR directional survey + BH survey

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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Kyla Vaughan TITLE Regulatory Compliance Tech DATE 12/19/06

Type or print name Kyla Vaughan E-mail address: kyla_vaughan@xtoenergy.com Telephone No. 564-6726

For State Use Only

APPROVED BY: _____ TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE DEC 20 2006

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, 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 & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDEDED REPORT

[1] API Number	[2] Pool Code	[3] Pool Name
30-045-34065	71599	Basin Dakota (prorated gas)

[4] Property Code	[5] Property Name	[6] Well Number
22677	DANBURG GAS COM B	1F

[7] OGRID No.	[8] Operator Name	[9] Elevation
5380	XTO Energy, Inc.	5628'

[10] Surface Location

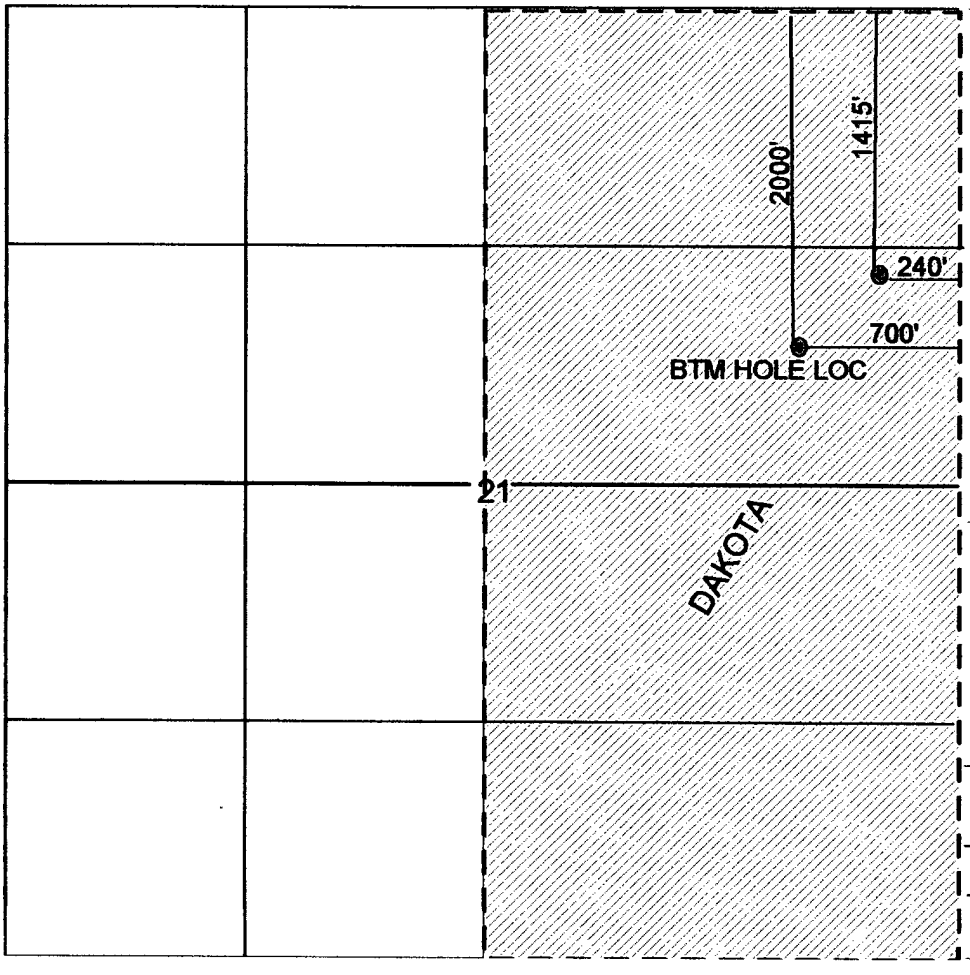
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	21	30N	12W		1415	NORTH	240	EAST	SAN JUAN

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	21	30N	12W		2000	NORTH	700	EAST	SAN JUAN

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Holly C Perkins
Signature

Holly C. Perkins
Printed Name

Regulatory Compliance Tech
Title

12/6/2006
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

10/20/2005
Date of Survey

Original Survey Signed By:
John A. vukonich

Certificate Number
14831

XTO ENERGY INC.

Danburg Gas Com B #1F
APD Data
December 18, 2006

Location: 1415' FNL x 240' FEL Sec 21, T30N, R12W **County:** San Juan **State:** New Mexico
Bottomhole Location: 2000' FNL x 700' FEL Sec 21, T30N, R12W

GREATEST PROJECTED TD: 6865' OBJECTIVE: Dakota
APPROX GR ELEV: 5628' Est KB ELEV: 5640' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 6865
HOLE SIZE	12.25"	7.875"	7.875"
MUD TYPE	FW/Spud Mud	FW/Polymer	LSND / Gel Chemical
WEIGHT	8.6-9.0	8.4-8.8	8.6- 9.20
VISCOSITY	28-32	28-32	45-60
WATER LOSS	NC	NC	8-10

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes.

2. CASING PROGRAM:

Surface Casing: 8.625" casing to be set at ± 360' in a 12-1/4" hole filled with 9.20 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-360'	360'	24.0#	J-55	ST&C	1370	2950	244	8.097	7.972	7.950	17.13	28.24

Production Casing: 5.5" casing to be set at TD (±6865') in 7.875" hole filled with 9.20 ppg mud.

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-6865	6865'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.23	1.46	1.90

Note: Tensile safety factor based on unbuoyed vertical well conditions, collapse and burst safety factors based on 9.2 ppg mud at TVD with no backup.

3. WELLHEAD:

A. Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 8-5/8" 8rnd thread on bottom and 11-3/4" 8rnd thread on top.
B. Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 2,000 psig WP (4,000 psig test), 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

4. CEMENT PROGRAM (Slurry design may change slightly, but the plan is to circulate cement to surface on both casing strings):

A. Surface: 8.625", 24.0#, J-55, ST&C casing to be set at ± 360' in 12-1/4" hole.

214 sx of Type III cement (or equivalent) typically containing accelerator and LCM, mixed at 14.5 ppg, 1.39 ft^3/sk, & 6.70 gal wtr/sk.

Total slurry volume is 297 ft^3, 100% excess of calculated annular volume to 360'.

B. Production: 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at ±6865' in 7.875" hole. DV Tool set @ ±4150'

1st Stage

LEAD:
±213 sx of Premium Lite HS (Type III/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 12.5 ppg, 2.01 ft^3/sk, 10.55 gal wtr/sx.

TAIL:
150 sx Type III or equivalent cement with bonding additive, LCM, dispersant, & fluid loss mixed at 14.2 ppg, 1.54 cuft/sx, 8.00 gal/sx.

2nd Stage

LEAD:
±345 sx of Type III or equivalent cement with 8% gel & LCM mixed at 11.9 ppg, 2.54 ft^3/sk, 15.00 gal wtr/sx.

TAIL:
100 sx Type III neat mixed at 14.5 ppg, 1.39 cuft/sx, 6.3 gal/sx.

Total estimated slurry volume for the 5-1/2" production casing is 1675 ft^3.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 40%. It will be attempted to circulate cement to the surface.

5. LOGGING PROGRAM:

A. Mud Logger: The mud logger will come on at 2,900' and will remain on the hole until TD. The mud will be logged in 10' intervals.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (6865') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (6865') to 3,000'.

6. FORMATION TOPS:

Est. KB Elevation: 5640'

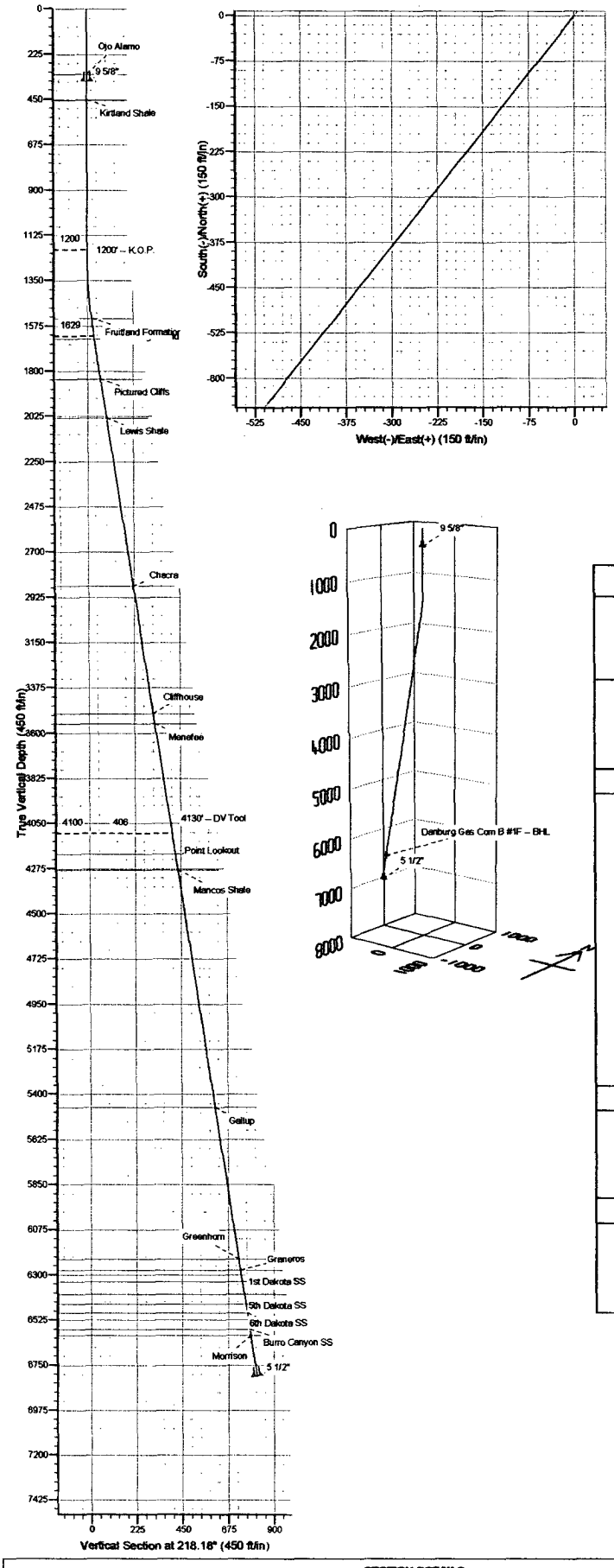
Please see attached directional plan.

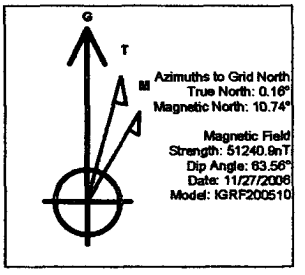
**** Maximum anticipated BHP should be <2,000 psig (<0.30 psi/ft) *****

7. COMPANY PERSONNEL:

Name	Title	Office Phone	Home Phone
John Egelston	Drilling Engineer	505-564-6734	505-330-6902
Jerry Lacy	Drilling Superintendent	505-566-7917	505-320-6543
John Klutsch	Project Geologist	817-885-2800	--

JWE
12/18/06





WELL DETAILS: Danburg Gas Com B #1F

Ground Level: 0.0
-1415.0 FNL
-240.0 FEL

Name	TVD	+N/-S	+E/-W	Shape
Danburg Gas Com B #1F -- BHL	6332.0	-585.0	-460.0	Point

Project: T30N, R12W
Site: Danburg Gas Com B #1F
Well: Danburg Gas Com B #1F
Wellbore: Danburg Gas Com B #1F -- Slant
Slant Well to BHL

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
324.0	324.0	Ojo Alamo
452.0	452.0	Kirtland Shale
1538.0	1538.8	Fruitland Formation
1638.0	1639.7	Lower Fruitland Coal
1838.0	1842.0	Pictured Cliffs
2032.0	2038.2	Lewis Shale
2867.0	2882.7	Chacra
3502.0	3525.0	Cliffhouse
3552.0	3575.5	Menefee
4202.0	4232.9	Point Lookout
4281.0	4312.8	Mancos Shale
5465.0	5510.3	Gallup
6220.0	6273.9	Greenhorn
6276.0	6330.6	Graneros
6332.0	6387.2	1st Dakota SS
6397.0	6452.9	3rd Dakota SS
6446.0	6502.5	5th Dakota SS
6490.0	6547.0	6th Dakota SS
6570.0	6627.9	Burro Canyon SS
6600.0	6658.2	Morrison

CASING DETAILS

TVD	MD	Name	Size
360.0	360.0	9 5/8"	9-5/8
6804.4	6865.0	5 1/2"	5-1/2

PROJECT DETAILS: T30N, R12W

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: New Mexico West 3003

System Datum: Mean Sea Level

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
0.0	0.00	218.18	0.0	0.0	0.0	0.00	0.00	0.0	
1200.0	0.00	218.18	1200.0	0.0	0.0	0.00	218.18	0.0	
1630.4	8.61	218.18	1628.8	-25.4	-19.9	2.00	218.18	32.3	
6387.2	8.61	218.18	6332.0	-585.0	-460.0	0.00	0.00	744.2	Danburg Gas Com B #1F -- BHL
6866.6	8.61	218.18	6806.0	-641.4	-504.3	0.00	0.00	815.9	