

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
May 27, 2004

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

WELL API NO. 30-045-34100
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NMNM048567
7. Lease Name or Unit BOLACK A
8. Well Number 1F
9. OGRID Number
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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator XTO ENERGY INC.
3. Address of Operator 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401
4. Well Location Unit Letter D : 880 feet from the NORTH line and 825 feet from the WEST line Section 2 Township 27N Range 11W NMPM County San Juan
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5380' GR
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: **DOWNHOLE COMMINGLE** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND 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. is requesting approval to downhole commingle product from the Basin Dakota (71599) and the Kutz Gallup (36550) in the Bolack A #1F. XTO Energy will DHC upon completion of the well.

Allocations are based on a 9-section EUR & calculated as follows:

Gas: DK 75% GP 25% Water: DK 58% GP 42% Oil: DK 38% GP 62%

Interests are common between pools & no notice to owners of impending DHC was necessary. Downhole commingling will offer an economical method for production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The BLM received our NOI sundry on 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 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 Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 5/29/07

Type or print name **HOLLY C. PERKINS** E-mail address: hholly_perkins@xtoenergy.com Telephone No. (505) 324-1090

For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUN 06 2007

Conditions of Approval, if any:

Bolack A #1F
Allocation Percentages

The proposed gas and oil production allocation percentages are based on estimated average ultimate recovery per well of the 8 Dakota wells and 9 Gallup wells in T27N R11W. Water allocation is based on E.U.R. water production per well. Please see attached Dakota and Gallup E.U.R. analysis.

Proposed Allocation Percentages:

Pool	Oil	Water	Gas
Gallup	62%	42%	25%
Dakota	38%	58%	75%

Basin Dakota Pool (Per well avg. est. ultimate gas, oil and water recovery prod.)

BO	BW	MCF
5,173	7,077	916,085

South Kutz Gallup Pool (Per well avg. est. ultimate gas, oil and water recovery prod.)

BO	BW	MCF
8,551	5,221	310,815