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

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

Form C-103
May 27, 2004

WELL API NO. 30-045-33017
5. Indicate Type of Lease STATE [x] 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: STATE J COM

1. Type of Well: Oil Well [ ] Gas Well [x] Other

8. Well Number #2S

2. Name of Operator: XTO Energy Inc.

9. OGRID Number 5380

3. Address of Operator: 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

10. Pool name or Wildcat BASIN FRUITLAND COAL

4. Well Location

Unit Letter D : 715 feet from the NORTH line and 785 feet from the WEST line

Section 16 Township 26n Range 11w NMPM County SAN JUAN

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 6257' GR

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 [ ]	COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [ ]
PULL OR ALTER CASING [ ]	MULTIPLE COMPLETION [ ]	CASING TEST AND CEMENT JOB [ ]	
OTHER. CHG DRILLING PROGRAM [x]		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. proposes to chg the drilling program per attached. A current C102 is enclossed.

RCVD JUN22'07
OIL CONS. DIV.
DIST. 3

HOLD C104 FOR directional 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 Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 6/21/2007

E-mail address: Regulatory@xtoenergy.com

Type or print name HOLLY C. PERKINS Telephone No. 505-324-1090

For State Use Only

APPROVED BY _____ TITLE Deputy Oil & Gas Inspector, District #3 DATE JUN 27 2007

Conditions of Approval, if any:

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

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
Fee Lease - 3 Copies
State Lease - 4 Copies

☐ AMENDEDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-045-33017	97232	BASIN FRUITLAND COAL

[4] Property Code	[5] Property Name	[6] Well Number
	STATE J COM	2S

[7] OGRID No.	[8] Operator Name	[9] Elevation
5083	XTO Energy, Inc.	6297'

[10] Surface Location

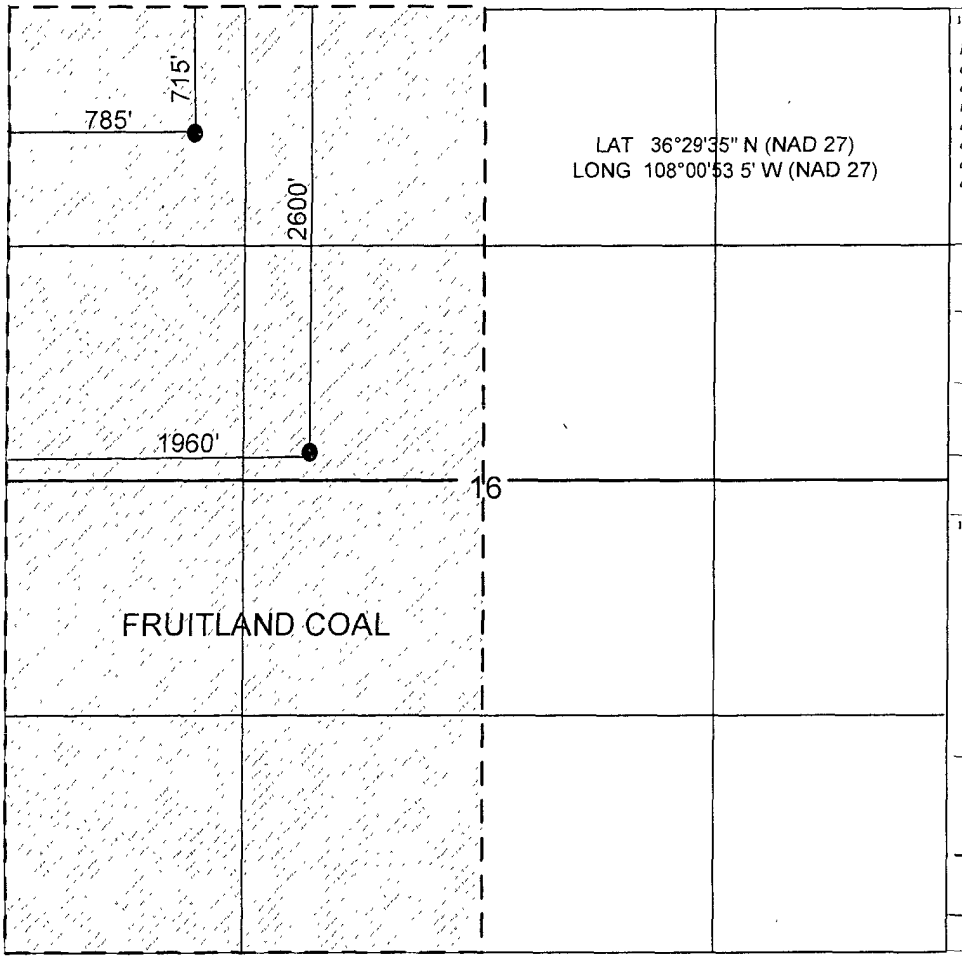
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	26N	11W		715	NORTH	785	WEST	SAN JUAN

[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
F	16	26N	11W		2600	NORTH	1960	WEST	SAN JUAN

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
320 acres NW/4			

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



[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true & complete to the best of my knowledge & belief and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Holly C. Perkins
Signature

Holly C. Perkins
Printed Name

Regulatory Compliance Tech
Title

6/21/2007
Date

[18] 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 & correct to the best of my belief.

6/4/2004
Date of Survey

Original Survey Signed By:
John A. Vukonich

14831
Certificate Number

XTO ENERGY INC.

State J Com #2S

Drilling Program

June 17, 2007

Surface Location: 715' FNL x 785' FWL Sec 16, T26N, R11W
Bottomhole Location: 2600' FNL x 1960' FWL Sec 16, T26N, R11W
County: San Juan Co. **State**: New Mexico

GREATEST PROJECTED TVD: 1500'
GREATEST PROJECTED MD: 3325'
OBJECTIVE: Fruitland Coal

APPROX GR ELEV: 6257'
Est KB ELEV: 6169' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 225'	225' to 1800'	3325' to TD
HOLE SIZE	12.25"	8.75"	6.125"
MUD TYPE	FW/Spud Mud	FW/Polymer	Air/Mist
WEIGHT	8.6-9.0	8.4-8.8	NA
VISCOSITY	28-32	28-32	NA
WATER LOSS	NC	NC	NC

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. Use Fruitland Coal produced water as make-up water for mist fluid. Pump enough fluid to dampen vibration at directional BHA. If directional control is not maintainable in air/mist environment convert to polymer mud.

2. CASING PROGRAM:

Surface Casing: 9.625" casing to be set at ± 225' in a 12-1/4" hole filled with 8.40 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll[1]	SF Burst[2]	SF Ten[3]
0'-225'	225'	36.0#	J-55	ST&C	2020	3520	394	8.921	8.765	20.6	35.8	48.6

Production Casing: 7" casing to be set at ± 1800'MD, 1500'TVD in a 8.75" hole filled with 8.4 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll[1]	SF Burst[2]	SF Ten[3]
0'-1800'	1800'	23#	J-55	ST&C	4320	4980	334	6.276	6.151	6.59	7.60	7.13

Production Liner: 4.5" casing to be set at ±3325' MD, 1500' TVD in a 6 ⅛" hole filled with 8.4 ppg mud.

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll[1]	SF Burst[2]	SF Ten[3]
0'-3325'	1525'	10.5	J-55	ST&C	4010	4790	132	4.052	3.927	6.122	7.313	8.244

[1]Collapse SF is based on evacuated annulus and hydrostatic at TVD.
[2]Burst SF is based on evacuated casing and hydrostatic at TVD.
[3]Tensile SF is based on hanging air weight of casing in a vertical hole at measured depth.

3. WELLHEAD:

A. Casing Head: WHI QDF System (or equivalent), 9-5/8" x 7", 3,000 psig WP (4,000 psig test) with 9-5/8" 8rnd thread ST&C pin end on bottom and 4-1/2" slips on top (if tie-back string is utilized).
B. Tubing Head: WHI W2F (or equivalent), 7.063" nominal, 5,000 psig WP (5,000 psig test), 5-1/2" slip-on or weld-on.

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

A. Surface: 9.625", 36.0#, J-55, ST&C casing to be set at ± 225' in 12-1/4" hole.

140 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 177 ft^3, 100% excess of calculated annular volume to 225'.

B. Production Casing: 7", 23#/ft, J-55, ST&C casing to be set at ±1800'MD, 1500' TVD in 8.75" hole.

LEAD:
± 104 sx of Premium Lite FM or CBM Lite typically containing accelerator, LCM, dispersant, and fluid loss additives at 12.1 ppg, 2.22 ft^3/sk, & 12.04 gal wtr/sk.

TAIL:
100 sx of Type III or V cement typically containing accelerator, LCM, dispersant, and fluid loss additives at 14.2 ppg, 1.48 ft^3/sk, & 7.34 gal wtr/sk.

Total estimated slurry volume for the 7" production casing is 380 ft^3.

C. Production Liner: 4.5", 11.6#/ft, J-55, ST&C casing is to be set at 3220' MD, 1784' TVD in 6.125" hole.

The production liner will be set using an uncemented liner hanger. The liner may be tied back to surface during the completion of the well.

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

5. LOGGING PROGRAM:

A. Mud Logger: A geologic consultant or unmanned mud logging unit will begin logging the well once the surface shoe is drilled out and remain on the well to TD.

B. Open Hole Logs as follows: Gamma ray and possibly Resistivity logs will be run from surface shoe to TD.

6. FORMATION TOPS:

Est. KB Elevation: 6429'

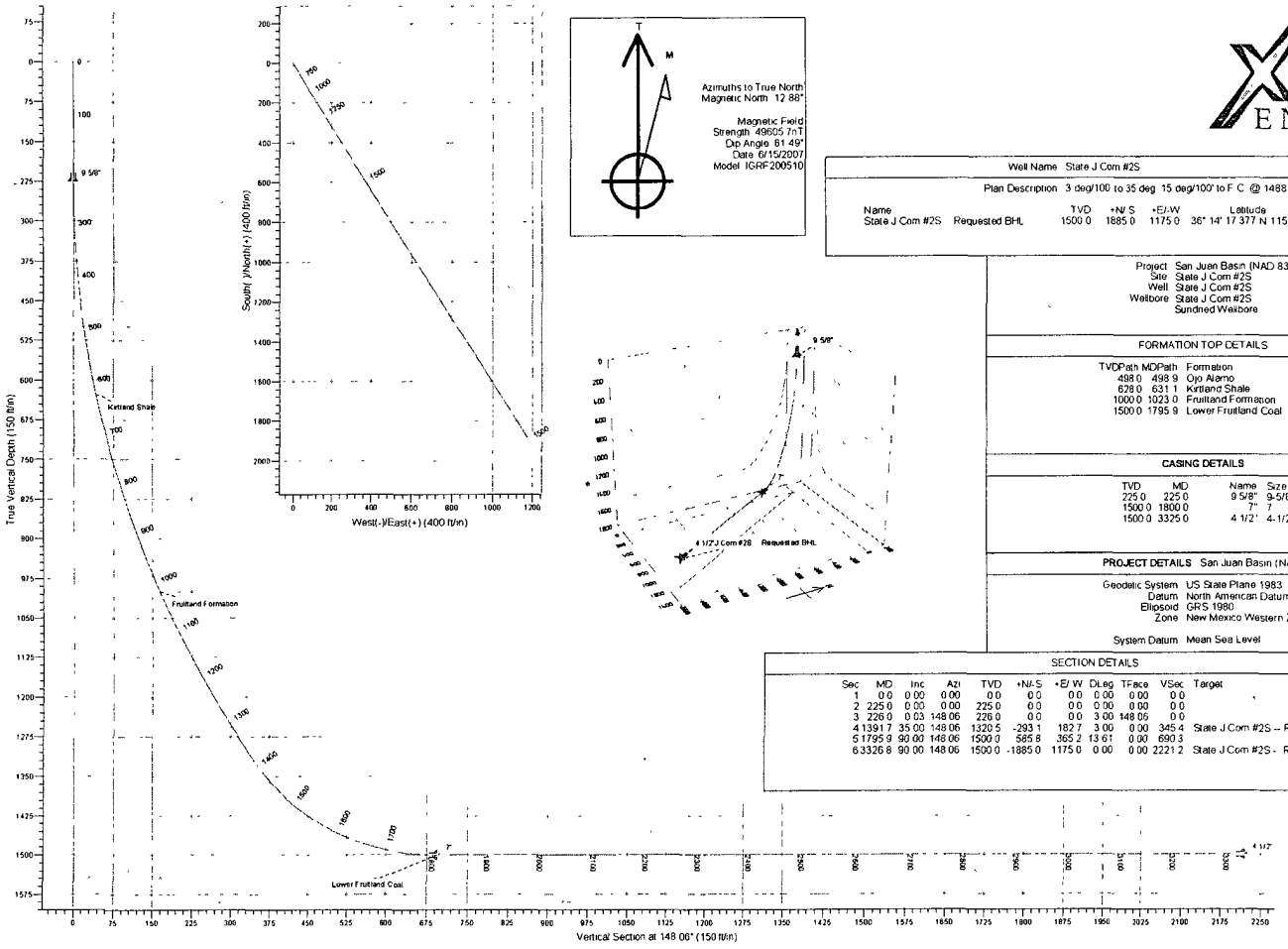
Please see directional program for estimated formation tops.

**** 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
6/17/07



XTO ENERGY

Well Name	State J Com #2S					
Plan Description	3 deg/100 to 35 deg 15 deg/100' to F C @ 1488					
Name		TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
State J Com #2S	Requested BHL	1500 0	1885 0	1175 0	36° 14' 17 377 N	115° 32 32 500 W	Point

Project	San Juan Basin (NAD 83)
Site	State J Com #2S
Well	State J Com #2S
Wellbore	State J Com #2S
	Sundried Wellbore

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
498 0	498 9	Ojo Alamo
628 0	631 1	Kirtland Shale
1000 0	1023 0	Fruitland Formation
1500 0	1795 9	Lower Fruitland Coal

CASING DETAILS

TVD	MD	Name	Size
225 0	225 0	9 5/8"	9-5/8
1500 0	1800 0	7"	7
1500 0	3325 0	4 1/2"	4-1/2

PROJECT DETAILS San Juan Basin (NAD 83)

Geodetic System	US State Plane 1983
Datum	North American Datum 1983
Ellipsoid	GRS 1980
Zone	New Mexico Western Zone
System Datum	Mean Sea Level

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0 0	0 00	0 00	0 0	0 0	0 0	0 00	0 00	0 0	
2	225 0	0 00	0 00	225 0	0 0	0 0	0 00	0 00	0 0	
3	226 0	0 03	148 06	226 0	0 0	0 0	3 00	148 05	0 0	
4	1391 7	35 00	148 06	1320 5	-293 1	182 7	3 00	0 00	345 4	State J Com #2S -- Requested BHL
5	1795 9	90 00	148 06	1500 0	585 8	365 2	13 61	0 00	690 3	
6	3326 8	90 00	148 06	1500 0	-1885 0	1175 0	0 00	0 00	2221 2	State J Com #2S - Requested BHL