

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

SEP 06 2007

RECEIVED

Bureau of Land Management
Farmington Field Office

5 Lease Serial No
NMSF-078204A

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No

8 Well Name and No
BASSETT COM #1B

9 API Well No
30-045-30302

10 Field and Pool, or Exploratory Area
BLANCO MESAVERDE
AZTEC PICTURED CLIFFS

11 County or Parish, State
SAN JUAN NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- ☒ Notice of Intent
- ☐ Subsequent Report
- ☐ Final Abandonment Notice

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input checked="" type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

- 13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

XTO Energy Inc. proposes to downhole commingle production from the Blanco Mesaverde (72319) and the Aztec Pictured Cliffs (71280) upon completion of drilling. Both pools are in the NMOC pre-approved pool combinations for DHC in the SJ Basin. Allocations are based on a stabilized 3-month test period. The Mesaverde produced for +/- 5 years and the Pictured has produced for 8 months:

Mesaverde	Oil: 27%	Water: 66%	Gas: 43%
Pictured Cliffs	Oil: 73%	Water: 34%	Gas: 57%

RCVD SEP 11 '07
OIL CONS. DIV.
DIST. 3

Ownership is diverse & owners were notified via certified, return- receipt mail on 8/31/2007. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The NMOC was notified of our intent to DHC via submission of Form C103 on 8/31/2007.

- 14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Title

HOLLY C. PERKINS

REGULATORY COMPLIANCE TECH

Date 9/4/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title Geo

Date 9-7-07

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office FFD

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOC D

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

RCVD SEP 11 '07

☐ AMENDED REPORT
OIL CONS. DIV.

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30302	² Pool Code 72319 / 71280	³ Pool Name BLANCO MESAVERDE / AZTEC PICTURED CLIFFS	DIST. 3
⁴ Property Code	⁵ Property Name BASSETT COM		⁶ Well Number 1B
⁷ GRID No. 5380	⁸ Operator Name XTO Energy, Inc.		⁹ Elevation 6057'

¹⁰Surface Location

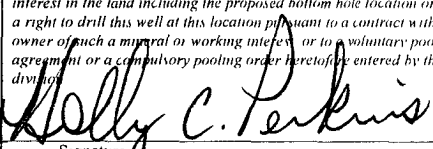
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	33	30N	10W		1960	SOUTH	1835	WEST	SAN JUAN

¹¹Bottom 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

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

LOT 4	LOT 3	LOT 2	LOT 1	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.  Signature Holly C. Perkins Printed Name Regulatory Compliance Tech Title 8/31/2007 Date
LOT 5	LOT 6	LOT 7	LOT 8	
LOT 12 1835'	LOT 11	LOT 10	LOT 9	
LOT 13	LOT 14 1960'	LOT 15	LOT 16	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 MARCH 21, 2000 Date of Survey Original Survey Signed By NEALE C. WEWARDS 6857 Certificate Number

Basset Com #1B
Allocation Percentages

The proposed gas, oil, and water production allocation percentages are based on a stabilized 3 month test period. The Mesa Verde produced for ~5 years, and the Pictured Cliffs have produced for 8 months.

Proposed Allocation Percentages:

Pool	Oil	Water	Gas
Pictured Cliffs	73%	34%	57%
Mesa Verde	27%	66%	43%

Aztec Pictured Cliffs (Per stabilized 3 month avg. gas, oil and water recovery prod.)

BO	BW	MCF
8	2	93

Blanco Mesa Verde Pool (Per stabilized 3 month avg. gas, oil and water recovery prod.)

BO	BW	MCF
3	1	69

MV

06/28/06	86
06/29/06	81
06/30/06	79
07/01/06	78
07/02/06	60
07/03/06	70
07/04/06	76
07/05/06	80
07/06/06	81
07/07/06	78
07/08/06	77
07/09/06	76
07/10/06	77
07/11/06	55
07/12/06	66
07/13/06	75
07/14/06	85
07/15/06	80
07/16/06	78
07/17/06	59
07/18/06	72
07/19/06	84
07/20/06	79
07/21/06	75
07/22/06	56
07/23/06	72
07/24/06	78
07/25/06	81
07/26/06	71
07/27/06	56
07/28/06	65
07/29/06	73
07/30/06	70
07/31/06	73
08/01/06	47
08/02/06	36
08/03/06	100
08/04/06	91
08/05/06	76
08/06/06	71
08/07/06	85
08/08/06	73
08/09/06	58
08/10/06	78
08/11/06	85
08/12/06	79
08/13/06	60
08/14/06	61
08/15/06	82
08/16/06	62
08/17/06	58
08/18/06	92
08/19/06	82
08/20/06	80
08/21/06	66
08/22/06	70
08/23/06	82
08/24/06	67
08/25/06	78
08/26/06	57
08/27/06	75
08/28/06	83
08/29/06	73
08/30/06	70
08/31/06	79
09/01/06	58
09/02/06	60
09/03/06	82
09/04/06	81
09/05/06	60
09/06/06	60
09/07/06	73
09/08/06	83
09/09/06	69
09/10/06	59
09/11/06	61
09/12/06	6
09/13/06	58
09/14/06	99
09/15/06	84
09/16/06	79
09/17/06	16
09/18/06	0
09/19/06	61

	09/20/06	100	
	09/21/06	57	
	09/22/06	46	
	09/23/06	53	
	09/24/06	96	
	09/25/06	87	
	09/26/06	84	
	09/27/06	65	
	09/28/06	65	
	09/29/06	65	
	09/30/06	65	
	10/01/06	66	
	10/02/06	64	
	10/03/06	84	
	10/04/06	81	
	10/05/06	62	
	10/06/06	62	
	10/07/06	27	
	10/08/06	64	
	10/09/06	90	
	10/10/06	80	
	10/11/06	63	
	10/12/06	64	
	10/13/06	25	
	10/14/06	60	
	10/15/06	95	
	10/16/06	85	
	10/17/06	78	
	10/18/06	60	
	10/19/06	63	
	10/20/06	63	
	10/21/06	64	
	10/22/06	64	
	10/23/06	28	
	10/24/06	64	
	10/25/06	93	
	10/26/06	75	
	10/27/06	70	
	10/28/06	67	
	10/29/06	63	
	10/30/06	63	
	10/31/06	53	
	11/01/06	56	
	11/02/06	93	
	11/03/06	65	
	11/04/06	62	
	11/05/06	65	
	11/06/06	64	
	11/07/06	65	
	11/08/06	47	
	11/09/06	88	
	11/10/06	59	
	11/11/06	71	
	11/12/06	64	
	11/13/06	56	
	11/14/06	56	
	11/15/06	18	
	11/16/06	43	
	11/17/06	108	
	11/18/06	92	
	11/19/06	57	
	11/20/06	89	
	11/21/06	66	
	11/22/06	66	
	11/23/06	38	
	11/24/06	37	
	11/25/06	101	
	11/26/06	88	
	11/27/06	77	3 month ave
PC	11/28/06	73	69
	05/29/07	91	
	05/30/07	98	
	05/31/07	142	
	06/01/07	121	
	06/02/07	101	
	06/03/07	85	
	06/04/07	119	
	06/05/07	122	
	06/06/07	86	
	06/07/07	138	
	06/08/07	145	
	06/09/07	91	
	06/10/07	91	
	06/11/07	87	

06/12/07	33
06/13/07	39
06/14/07	126
06/15/07	81
06/16/07	27
06/17/07	99
06/18/07	130
06/19/07	118
06/20/07	104
06/21/07	102
06/22/07	100
06/23/07	90
06/24/07	101
06/25/07	97
06/26/07	95
06/27/07	95
06/28/07	93
06/29/07	86
06/30/07	91
07/01/07	98
07/02/07	91
07/03/07	93
07/04/07	96
07/05/07	97
07/06/07	85
07/07/07	94
07/08/07	98
07/09/07	94
07/10/07	99
07/11/07	92
07/12/07	94
07/13/07	93
07/14/07	90
07/15/07	101
07/16/07	91
07/17/07	94
07/18/07	53
07/19/07	47
07/20/07	97
07/21/07	118
07/22/07	110
07/23/07	74
07/24/07	115
07/25/07	116
07/26/07	135
07/27/07	123
07/28/07	117
07/29/07	117
07/30/07	113
07/31/07	111
08/01/07	108
08/02/07	106
08/03/07	98
08/04/07	105
08/05/07	106
08/06/07	23
08/07/07	24
08/08/07	0
08/09/07	0
08/10/07	144
08/11/07	139
08/12/07	87
08/13/07	84
08/14/07	71
08/15/07	32
08/16/07	58
08/17/07	47
08/18/07	126
08/19/07	143
08/20/07	83
08/21/07	82
08/22/07	84
08/23/07	85
08/24/07	83
08/25/07	83
08/26/07	86
08/27/07	98
08/28/07	109
08/29/07	81

3 month ave
93

Ttt aves 162
MV = 0.43
PC = 0.57



2700 Farmington Ave, K-1 Farmington, NM 87401
Phone: (505) 324-1090 FAX: (505) 564-6700

August 31, 2007

Interest Owners

Subject: Notice of Intent to Downhole Commingle
Bassett Com #1B API # 30-045-30302
1960' FSL & 1835' FWL Sec 33K-T01N-R10W
Blanco Mesaverde/Aztec Pictured Cliffs

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the Blanco Mesaverde and Aztec Pictured Cliffs pools in the Bassett Com #1B. Both pools are included in NMOCD pre-approved pool combinations for downhole commingling in the San Juan Basin. Commingling of these pools will minimize operating costs, should add reserves and improve economics of the well.

The proposed allocation percentages for each pool are as follows:

Aztec Pictured Cliffs	Gas: 57%	Water: 34%	Oil: 73%
Blanco Mesaverde	Gas: 43%	Water: 66%	Oil: 27%

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) 324-1090. 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 cursive script that reads 'Holly C. Perkins'.

Holly C. Perkins
Regulatory Compliance Tech

xc: well file

ANNE K HURT
PO BOX 1045
DEL MAR, CA 920140000

Basett Com #1B DHC

ANNE K HURT
PO BOX 1045
DEL MAR, CA 920140000

Basett Com #1B DHC

ANNE K HURT
PO BOX 1045
DEL MAR, CA 920140000

Basett Com #1B DHC

ANNETTE LOUISE HURT
1129 GUERRERO STREET
SAN FRANCISCO, CA 941100000

Basett Com #1B DHC

ANNETTE LOUISE HURT
1129 GUERRERO STREET
SAN FRANCISCO, CA 941100000

Basett Com #1B DHC

ANNETTE LOUISE HURT
1129 GUERRERO STREET
SAN FRANCISCO, CA 941100000

Basett Com #1B DHC

CAROLYN ROBERTA COMBS
10 MICHELLE MANOR
CHARLESTON, SC 294068605

Basett Com #1B DHC

CAROLYN ROBERTA COMBS
10 MICHELLE MANOR
CHARLESTON, SC 294068605

Basett Com #1B DHC

CAROLYN ROBERTA COMBS
10 MICHELLE MANOR
CHARLESTON, SC 294068605

Basett Com #1B DHC

CONOCOPHILLIPS COMPANY
P.O. BOX 22295 NETWORK PLACE
CHICAGO, IL 606731222

Basett Com #1B DHC

CONOCOPHILLIPS COMPANY
P.O. BOX 22295 NETWORK PLACE
CHICAGO, IL 606731222

Basett Com #1B DHC

CONOCOPHILLIPS COMPANY
P.O. BOX 22295 NETWORK PLACE
CHICAGO, IL 606731222

Basett Com #1B DHC

DUGAN PRODUCTION CORPORATION
P O BOX 420
FARMINGTON, NM 874990420

Basett Com #1B DHC

DUGAN PRODUCTION CORPORATION
P O BOX 420
FARMINGTON, NM 874990420

Basett Com #1B DHC

DUGAN PRODUCTION CORPORATION
P O BOX 420
FARMINGTON, NM 874990420

Basett Com #1B DHC

EMILY CECILE THAYER
P O BOX 600
SNOQUALMIE, WA 980650000

Basett Com #1B DHC

EMILY CECILE THAYER
P O BOX 600
SNOQUALMIE, WA 980650000

Basett Com #1B DHC

EMILY CECILE THAYER
P O BOX 600
SNOQUALMIE, WA 980650000

Basett Com #1B DHC

GEORGE A HURT
21551 BROOKHURST ST #43
HUNTINGTON BEACH, CA 926460000

Basett Com #1B DHC

GEORGE A HURT
21551 BROOKHURST ST #43
HUNTINGTON BEACH, CA 926460000

Basett Com #1B DHC

GEORGE A HURT
21551 BROOKHURST ST #43
HUNTINGTON BEACH, CA 926460000

Basett Com #1B DHC

JAMES E HURT
8762 SAND POINT WAY NE
SEATTLE, WA 981153951

Basett Com #1B DHC

JAMES E HURT
8762 SAND POINT WAY NE
SEATTLE, WA 981153951

Basett Com #1B DHC

JAMES E HURT
8762 SAND POINT WAY NE
SEATTLE, WA 981153951

Basett Com #1B DHC

JOANNE ELIZABETH MARTIN
4306 LAVACA RIVER CT
CORPUS CHRISTI, TX 784100000

Basett Com #1B DHC

JOANNE ELIZABETH MARTIN
4306 LAVACA RIVER CT
CORPUS CHRISTI, TX 784100000

Basett Com #1B DHC

JOANNE ELIZABETH MARTIN
4306 LAVACA RIVER CT
CORPUS CHRISTI, TX 784100000

Basett Com #1B DHC

JOSEPH ANDREW COMBS
PO BOX 30974
CHARLESTON, SC 294170974

Basett Com #1B DHC

JOSEPH ANDREW COMBS
PO BOX 30974
CHARLESTON, SC 294170974

Basett Com #1B DHC

JOSEPH ANDREW COMBS
PO BOX 30974
CHARLESTON, SC 294170974

Basett Com #1B DHC

LEIGH C PATTERSON
2900 CANTABERRY DR
JEFFERSON CITY, MO 651099274
Basett Com #1B DHC

LEIGH C PATTERSON
2900 CANTABERRY DR
JEFFERSON CITY, MO 651099274
Basett Com #1B DHC

LEIGH C PATTERSON
2900 CANTABERRY DR
JEFFERSON CITY, MO 651099274
Basett Com #1B DHC

LINDA A WRIGHT
6909 BAKER NE
ALBUQUERQUE, NM 871090000
Basett Com #1B DHC

LINDA A WRIGHT
6909 BAKER NE
ALBUQUERQUE, NM 871090000
Basett Com #1B DHC

LINDA A WRIGHT
6909 BAKER NE
ALBUQUERQUE, NM 871090000
Basett Com #1B DHC

LINDA L GILMORE
9 ROBINS NEST PL
ROSWELL, NM 882019511
Basett Com #1B DHC

LINDA L GILMORE
9 ROBINS NEST PL
ROSWELL, NM 882019511
Basett Com #1B DHC

LINDA L GILMORE
9 ROBINS NEST PL
ROSWELL, NM 882019511
Basett Com #1B DHC

MATTHEW W. THAYER
23820 30TH AVENUE SOUTH B-24
KENT, WA 980320000
Basett Com #1B DHC

MATTHEW W. THAYER
23820 30TH AVENUE SOUTH B-24
KENT, WA 980320000
Basett Com #1B DHC

MATTHEW W. THAYER
23820 30TH AVENUE SOUTH B-24
KENT, WA 980320000
Basett Com #1B DHC

MICHAEL J HURT TEXACO MIDDLE
EAST LTD DUBAE WORLD
P O BOX 9367
DUBAI, ARAB EMIRATES
., XX 0
Basett Com #1B DHC

MICHAEL J HURT TEXACO MIDDLE
EAST LTD DUBAE WORLD
P O BOX 9367
DUBAI, ARAB EMIRATES
., XX 0
Basett Com #1B DHC

MICHAEL J HURT TEXACO MIDDLE
EAST LTD DUBAE WORLD
P O BOX 9367
DUBAI, ARAB EMIRATES
., XX 0
Basett Com #1B DHC

MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298
Basett Com #1B DHC

MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298
Basett Com #1B DHC

MMS XTO FEDERAL
C/O XTO ENERGY INC
810 HOUSTON STREET
FORT WORTH, TX 761026298
Basett Com #1B DHC

RONALD GLENN KEOHANE
PO BOX 1634
PERALTA, NM 870421634
Basett Com #1B DHC

RONALD GLENN KEOHANE
PO BOX 1634
PERALTA, NM 870421634
Basett Com #1B DHC

RONALD GLENN KEOHANE
PO BOX 1634
PERALTA, NM 870421634
Basett Com #1B DHC

SHARYN LYN MCDONALD TRUST UTA
DATED 02-12-1996 SHA
PO BOX 161
NEVADA CITY, CA 959590000
Basett Com #1B DHC

SHARYN LYN MCDONALD TRUST UTA
DATED 02-12-1996 SHA
PO BOX 161
NEVADA CITY, CA 959590000
Basett Com #1B DHC

SHARYN LYN MCDONALD TRUST UTA
DATED 02-12-1996 SHA
PO BOX 161
NEVADA CITY, CA 959590000
Basett Com #1B DHC

STEPHEN RAY KEOHANE
PO BOX 1336
PERALTA, NM 870421336
Basett Com #1B DHC

STEPHEN RAY KEOHANE
PO BOX 1336
PERALTA, NM 870421336
Basett Com #1B DHC

STEPHEN RAY KEOHANE
PO BOX 1336
PERALTA, NM 870421336
Basett Com #1B DHC

THOMAS EDWARD SMITH-HURT
707 8TH STREET SE
AUBURN, WA 980020000

Basett Com #1B DHC

THOMAS EDWARD SMITH-HURT
707 8TH STREET SE
AUBURN, WA 980020000

Basett Com #1B DHC

THOMAS EDWARD SMITH-HURT
707 8TH STREET SE
AUBURN, WA 980020000

Basett Com #1B DHC

TOM DUGAN FAMILY LTD PRTNSHP
SHERMAN DUGAN GENERAL
P O BOX 207
FARMINGTON, NM 874990207

Basett Com #1B DHC

TOM DUGAN FAMILY LTD PRTNSHP
SHERMAN DUGAN GENERAL
P O BOX 207
FARMINGTON, NM 874990207

Basett Com #1B DHC

TOM DUGAN FAMILY LTD PRTNSHP
SHERMAN DUGAN GENERAL
P O BOX 207
FARMINGTON, NM 874990207

Basett Com #1B DHC

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. 30-045-30302
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
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.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	7. Lease Name or Unit Agreement Name: BASSETT COM
2. Name of Operator XTO Energy Inc.	8. Well Number 1B
3. Address of Operator 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401	9. OGRID Number 5380
4. Well Location Unit Letter K : 1960 feet from the SOUTH line and 1835 feet from the WEST line Section K Township 33 Range 30N NMPM 10W County SAN JUAN	10. Pool name or Wildcat BLANCO MV/AZTEC PC
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
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:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 proposes to downhole commingle production from the Blanco MV (72319) & the Aztec PC (71280) upon completion of drilling. Both pools are in the NMOC pre-approved pool combinations for DHC in the SJ Basin. Allocations are based on a stabilized 3-month test period. The MV produced for +/- 5 years and the PC has produced for 8 months:

MV: Oil: 27% Water: 66% Gas: 43% PC: Oil: 73% Water: 73% Gas: 57%

Ownership is diverse & owners were notified via certified, return-receipt mail on 8/31/2007. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The NMOC was notified of our intent to DHC via Form C103 on 8/31/2007.

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 well constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 8/31/2007
E-mail address: holly_perkins@xtoenergy.com
Type or print name HOLLY C. PERKINS Telephone No. 505-324-1090

For State Use Only

APPROVED BY _____ TITLE _____ DATE _____
Conditions of Approval, if any: