

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  
June 19, 2008

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

WELL API NO. <b>30-045-23783</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: <b>EH PIPKIN</b>
8. Well Number <b>#12E</b>
9. OGRID Number <b>5380</b>
10. Pool name or Wildcat <b>Basin Dakota / KUTZ GALLUP</b>

**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: <b>EH PIPKIN</b>
2. Name of Operator <b>XTO Energy Inc.</b>	8. Well Number <b>#12E</b>
3. Address of Operator <b>382 CR 3100 AZTEC, NM 87410</b>	9. OGRID Number <b>5380</b>
4. Well Location Unit Letter <b>E</b> : <b>1460</b> feet from the <b>NORTH</b> line and <b>1160</b> feet from the <b>WEST</b> line Section <b>12</b> Township <b>27N</b> Range <b>11W</b> NMPM County <b>SAN JUAN</b>	10. Pool name or Wildcat <b>BASIN DAKOTA / KUTZ GALLUP</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>5956'</b>	

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 COMPL ☐  
DOWNHOLE COMMINGLE ☐

OTHER: DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
**RCVD OCT 16 '08**  
**OIL CONS. DIV.**  
**DIST. 3**

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 proposes to DHC production from the Basin Dakota (71599) and the Kutz Gallup (36550) upon approval of this . Allocations are based on production and are calculated as follows:.  
Kutz Gallup: Oil: 92% Water: 90% Gas: 63% Basin Dakota: Oil: 8% Water: 10% Gas: 37%  
Both pools are in the pre-approved pool combinations for SJ County. Ownership is common; therefore, notification to owners was not necessary. DHC will offer economical production while protecting against reservoir damage, waste of reserves and violation of correlative rights. The BLM was notified of our intent to DHC by submission of Form 3160-5 on October 14, 2008. Supporting documents are attached.

*DHC 2943172*

Spud Date:

Rig Release Date:

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

SIGNATURE *Lorri D. Bingham* TITLE REGULATORY COMPLIANCE TECH DATE 10/14/08  
Type or print name LORRI D. BINGHAM E-mail address: Lorri\_bingham@xtoenergy.com PHONE 505-333-3100

For State Use Only

APPROVED BY *[Signature]* TITLE Deputy Oil & Gas Inspector, District #3 DATE OCT 24 2008  
Conditions of Approval (if any):