

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. 30-045-30378
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: WF FEDERAL 33
8. Well Number #3
9. OGRID Number 5380
10. Pool name or Wildcat FRUITLAND SAND FC/BASIN FC

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: WF FEDERAL 33
2. Name of Operator XTO Energy Inc.	8. Well Number #3
3. Address of Operator 382 CR 3100 AZTEC, NM 87410	9. OGRID Number 5380
4. Well Location Unit Letter <u>N</u> : <u>1070</u> feet from the <u>SOUTH</u> line and <u>1454</u> feet from the <u>WEST</u> line Section <u>33</u> Township <u>30N</u> Range <u>14W</u> NMPM County <u>SAN JUAN</u>	10. Pool name or Wildcat FRUITLAND SAND FC/BASIN FC
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5450'	

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 JUN 11 '09

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.

TwinMtnsFSPLC
XTO requests an exception to NMCD rule 303A to permit DHC of prod from the ~~PC~~ FC pools in the WF Federal 33 #3. XTO proposes to DHC the two pools upon completion of the FC. Proposed allocations are based on a 9-section EUR & recommended as follows:

FC Oil: 0% Gas: 42% Water: 34%
PC Oil: 100% Gas: 58% Water: 66%

Ownership is common & notification to owners was not necessary. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. An application for DHC was submitted to BLM on 6/10/09.

DHC 3167AZ

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 ANALYST DATE 6/10/09
Type or print name LORRI D. BINGHAM E-mail address: lorri_bingham@xtoenergy.com PHONE 505-333-3204

For State Use Only

APPROVED BY *[Signature]* TITLE Deputy Oil & Gas Inspector, District #3 DATE JUN 25 2009
Conditions of Approval (if any):

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO 1004-0137
Expires July 31, 2010

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 page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a Address

382 CR 3100 Aztec, NM 87410

3b Phone No. (include area code)

505-333-3204

4 Location of Well (Footage, Sec, T, R., M., or Survey Description)

1070' FSL & 1454' FWL SEC 33N-T30N-R14W

5. Lease Serial No

NMSF-079968

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No

WF FEDERAL 33 #3

9 API Well No.

30-045-30378

10 Field and Pool, or Exploratory Area

FRUITLAND SAND PC/
BASIN FRUITLAND COAL

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

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

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <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 type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>DOWNHOLE</u> |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>COMMINGLE</u> |
| <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 recompleat 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 recompleat 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 Basin Fruitland Coal & the Fruitland Sand Pictured Cliffs in this well. Both pools are in the NMCD pre-approved pool combinations for DHC in the San Juan Basin. Allocations are based on a 9-section EUR (please see attached spreadsheet). Allocations are as follows:

FC: Oil: 0% Gas: ~~42%~~ 49% Water: 34%
PC: Oil: 100% Gas: ~~58%~~ 51% Water: 66%

Ownership is common & owner notification was not necessary. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The NMCD was notified of our intent to DHC via Form C103 on 6/10/09.

RCVD JUN 22 '09
OIL CONS. DIV.

DIST. 3

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

LORRI D BINGHAM

Title REGULATORY ANALYST

Signature

Date 6/10/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title Geo

Date 6-18-09

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 FDO

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.

LEASE NAME	NO.	RESERVOIR	SEC	LOCATION	FIELD	1st PROD	LAST PRC	CUM GAS	REM GAS	CUM WATER	EUR OIL	EUR GAS	DLY OIL	DLY GAS	DLY WAT
PERF	90	FRUITLAND COAL	35	30 N 14 W	BASIN	20020831	20071201	298,279	220,422	68,742	0	518,701	0	117.2	0
PERF	91	FRUITLAND COAL	35	30 N 14 W	BASIN	20050831	20071201	15,570	119,718	45,649	0	135,288	0	25.3	60.4
WF FEDERAL 27	4	FRUITLAND COAL	27	30 N 14 W	BASIN	20050331	20071201	11,134	69,887	15,740	0	81,021	0	14.6	6.2
WF FEDERAL 27	5	FRUITLAND COAL	27	30 N 14 W	BASIN	20050930	20071201	35,066	0	86,432	0	35,066	0	38.2	54
WF FEDERAL 28	1R	FRUITLAND COAL	28	30 N 14 W	BASIN	20030731	20071201	33,633	47,976	53,688	0	81,609	0	21.8	22.3
WF FEDERAL 3	2	FRUITLAND COAL	3	29 N 14 W	BASIN	20000930	20071201	290,475	0	127,649	0	290,475	0	26.3	9
WF FEDERAL 33	1	FRUITLAND COAL	33	30 N 14 W	BASIN	20011231	20071201	411,773	923,602	197,206	0	1,335,375	0	154.1	59.9
WF FEDERAL 33	5	FRUITLAND COAL	33	30 N 14 W	BASIN	20041231	20071201	177,408	1,288,362	58,122	0	1,465,770	0	261.1	45.2
WF FEDERAL 34	4	FRUITLAND COAL	34	30 N 14 W	BASIN	20050430	20071201	101,653	544,890	51,282	0	646,543	0	142.9	25.4
Fruitland Coal Average (Single Zone)								152,777	357,206	78,279	0	509,983	0	89	31

LEASE NAME	NO.	RESERVOIR	SEC	LOCATION	FIELD	1st PROD	LAST PRC	CUM GAS	REM GAS	CUM WATER	EUR OIL	EUR GAS	DLY OIL	DLY GAS	DLY WAT
AZTEC	4	PICTURED CLIFFS	35	30 N 14 W	HARPER F	19800131	20070401	683,821	0	81,297	39	683,821	0	69.5	32.5
WF FEDERAL 28	2	PICTURED CLIFFS	28	30 N 14 W	TWIN MOUNTAIN	20000131	20071101	346,404	274,201	177,662	0	620,605	0	59.6	22.8
WF STATE 32	1	PICTURED CLIFFS	32	30 N 14 W	TWIN MOUNTAIN	20000131	20071201	59,066	0	82,559	0	59,066	0	2.2	37.5
WF FEDERAL 29	2	PICTURED CLIFFS	29	30 N 14 W	TWIN MOUNTAIN	20000430	20071201	303,350	156,931	219,921	0	460,281	0	28	34.2
WF FEDERAL 3	1	PICTURED CLIFFS	3	29 N 14 W	HARPER F	20000930	20071201	346,328	475,277	107,027	0	821,605	0	88.5	8.1
WF FEDERAL 28	4	PICTURED CLIFFS	28	30 N 14 W	HARPER F	20010331	20071201	236,023	106,909	154,737	0	342,932	0	42.3	40.6
WF FEDERAL 33	3	PICTURED CLIFFS	33	30 N 14 W	TWIN MOUNTAIN	20010531	20071201	808,565	0	165,992	0	808,565	0	172.6	40
WF FEDERAL 33	2	PICTURED CLIFFS	33	30 N 14 W	TWIN MOUNTAIN	20011031	20071201	424,871	131,563	101,339	0	556,434	0	96.7	4.4
ROPCO 4	2	PICTURED CLIFFS	4	29 N 14 W	TWIN MOUNTAIN	20011130	20071201	449,462	0	69,158	0	449,462	0	143.6	16.8
WF FEDERAL 27	1	PICTURED CLIFFS	27	30 N 14 W	HARPER F	20011231	20071201	460,127	149,415	426,560	0	609,542	0	101.9	152.4
WF FEDERAL 27	2	PICTURED CLIFFS	27	30 N 14 W	HARPER F	20011231	20071201	495,447	0	134,621	0	495,447	0	100.4	31.4
Pictured Cliffs Average (Single Zone)								419,406	117,663	156,443	4	537,069	0	82	38