

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. 30-045-24964
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: FEDERAL 31
8. Well Number #21
9. OGRID Number 5380
10. Pool name or Wildcat WEST KUTZ PC/BASIN FRUITLAND COAL

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 382 CR 3100 AZTEC, NM 87410
4. Well Location Unit Letter C : 990 feet from the NORTH line and 1650 feet from the WEST line Section 31 Township 27N Range 11W NMPM County SAN JUAN
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6073'

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 ☐ RCDV AUG 26 '09
OIL CONS. DIV.

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 requests approval to DHC production fr/the PC (79680) & the FC (71629) in this well. XTO will DHC upon approval of this application. Allocations are based upon production & are calculated as follows:

Gas: PC 52% FC 48% Water: PC 31% FC 69% Oil: PC 50% FC 50%

Both pools are in the NMOC pre-approved pool combinations for DHC in the SJ Basin. Interest owners were common and notification was not necessary. The BLM has been notified of our intent via submission of form 3160-5. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

OHC 3219A Z

Spud Date:

Rig Release Date:

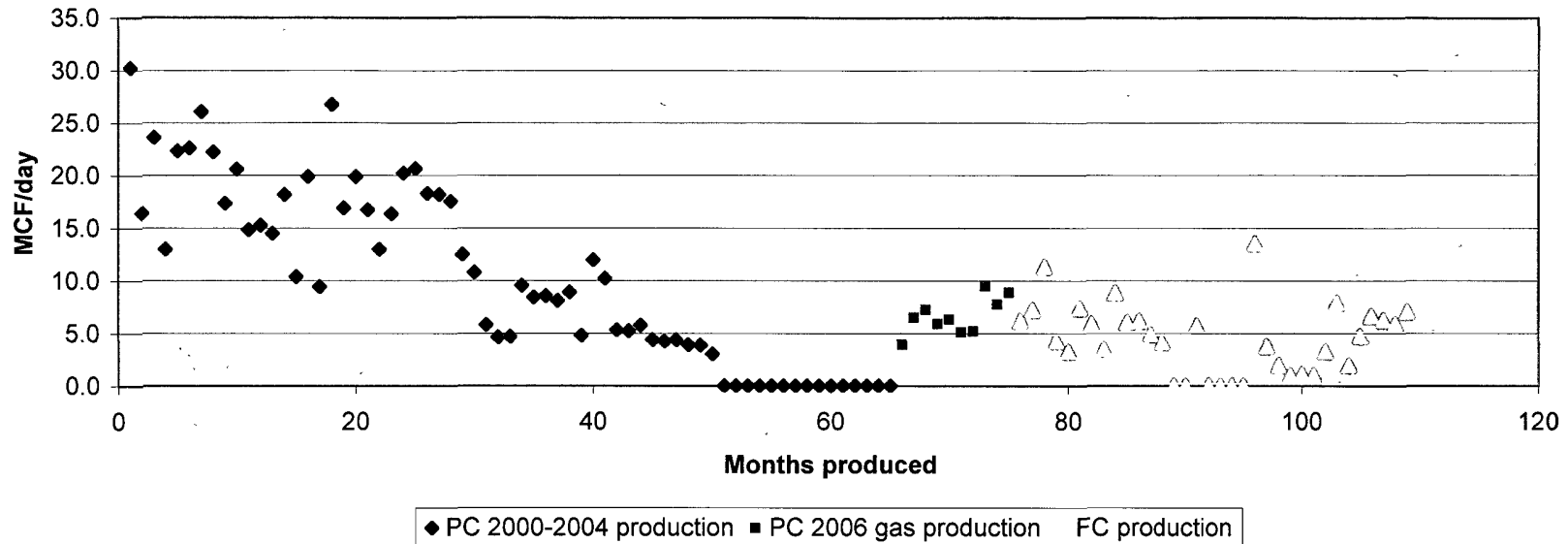
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Lorri D. Bingham TITLE REGULATORY ANALYST DATE 8/25/09
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 SEP 1 1 2009
Conditions of Approval (if any):

DHCM Federal 31 #21



Water production

PC: 2 bbls/day
FC: 4.5 bbls/day

Allocations:

31%
69%

Gas production

PC: 7 MCF/day
FC: 6.5 MCF/day

Allocations:

52%
48%