

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.

30-045-24795

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

NMSF 078896

7. Lease Name or Unit Agreement Name:

FEDERAL 33

8. Well Number

11

9. OGRID Number

5380

10. Pool name or Wildcat

WEST KUTZ PICTURED CLIFFS/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 ☐ Gas Well ☒ Other

2. Name of Operator

XTO Energy Inc.

3. Address of Operator

382 CR 3100 AZTEC, NM 87410

4. Well Location

Unit Letter D : 790 feet from the NORTH line and 790 feet from the WEST line

Section 33 Township 27N Range 11W NMPM NMPM County SAN JUAN

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

6211' GR

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. ☐ BAND A ☐
CASING/CEMENT JOB ☐

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 requests an exception to NMCD Rule 303-C to permit DHC of production from the West Kutz PC (79680) & the Basin Fruitland Coal (71629). XTO proposes to DHC the two pools upon completion of the FC. Proposed allocations are based on a 9-section EUR (please see attached spreadsheet) and are as follows:

PC: Oil: 50% Gas: 19% Water: 38%

FC: Oil: 50% Gas: 81% Water: 62%

Ownership in pools is diverse & notification was made to owners by certified mail, return receipt on 3/25/2010. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

DHC 3398 AZ

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 Wanett McCauley TITLE REGULATORY COMPLIANCE TECH DATE 4/14/2010

wanett.mccauley@xtoenergy.com

Type or print name WANETT MCCAULEY E-mail address: wanett.mccauley@xtoenergy.com PHONE 505-333-3630

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, DATE 4-15-10

District #3

Conditions of Approval (if any):

B 4-16

Federal 29-33

Added the FC in 2004

Stabilized Fruitland Coal Only Production				Pictured Cliffs Only Production			
Date	BOPM	MCFPM	BWPM	Date	BOPM	MCFPM	BWPM
	OIL	GAS	WATER		OIL	GAS	WATER
1/31/2009	0	993	0	1/31/2009	0	20	0
2/28/2009	0	1176	78	2/28/2009	0	24	2
3/31/2009	0	1959	0	3/31/2009	0	40	0
4/30/2009	0	1918	78	4/30/2009	0	39	2
5/31/2009	0	1286	78	5/31/2009	0	26	2
6/30/2009	0	970	39	6/30/2009	0	20	1
7/31/2009	0	1415	0	7/31/2009	0	29	0
8/31/2009	0	1236	78	8/31/2009	0	25	2
9/30/2009	0	677	78	9/30/2009	0	14	2
Average	0	1292	48		0	26	1

Percent Fruitland Coal		
Oil	Gas	Water
50.0%	98.0%	97.5%

Percent Pictured Cliffs		
Oil	Gas	Water
50.0%	2.0%	2.5%

Federal 33-44

Added the FC in 2006

Stabilized Fruitland Coal Only Production				Pictured Cliffs Only Production			
Date	BOPM	MCFPM	BWPM	Date	BOPM	MCFPM	BWPM
	OIL	GAS	WATER		OIL	GAS	WATER
1/31/2009	0	524	0	1/31/2009	0	235	0
2/28/2009	0	545	7	2/28/2009	0	245	0
3/31/2009	0	875	0	3/31/2009	0	393	0
4/30/2009	0	1161	0	4/30/2009	0	522	0
5/31/2009	0	1260	0	5/31/2009	0	566	0
6/30/2009	0	433	0	6/30/2009	0	195	0
7/31/2009	0	755	0	7/31/2009	0	339	0
8/31/2009	0	1214	7	8/31/2009	0	545	73
9/30/2009	0	649	0	9/30/2009	0	291	0
Average	0	824	2		0	370	8

Percent Fruitland Coal		
Oil	Gas	Water
50.0%	69.0%	16.1%

Percent Pictured Cliffs		
Oil	Gas	Water
50.0%	31.0%	83.9%

Federal 33-24

Added the FC in 1999

Stabilized Fruitland Coal Only Production				Pictured Cliffs Only Production			
Date	BOPM	MCFPM	BWPM	Date	BOPM	MCFPM	BWPM
	OIL	GAS	WATER		OIL	GAS	WATER
1/31/2009	0	942	136	1/31/2009	0	166	24
2/28/2009	0	747	68	2/28/2009	0	132	12
3/31/2009	0	2411	136	3/31/2009	0	425	24
4/30/2009	0	2322	204	4/30/2009	0	410	36
5/31/2009	0	2082	85	5/31/2009	0	367	15
6/30/2009	0	1601	68	6/30/2009	0	282	12
7/31/2009	0	1673	81	7/31/2009	0	295	14
8/31/2009	0	1737	136	8/31/2009	0	307	24
9/30/2009	0	1787	136	9/30/2009	0	315	24
Average	0	1700	117		0	300	21

Percent Fruitland Coal		
Oil	Gas	Water
50.0%	85.0%	85.0%

Percent Pictured Cliffs		
Oil	Gas	Water
50.0%	15.0%	15.0%

Federal 33-42

Federal 33-31

Stabilized Fruitland Coal Only Production				Pictured Cliffs Only Production			
Date	BOPM	MCFPM	BWPM	Date	BOPM	MCFPM	BWPM
	OIL	GAS	WATER		OIL	GAS	WATER
1/31/2009	0	994	0	1/31/2009	0	569	0
2/28/2009	0	602	0	2/28/2009	0	426	80
3/31/2009	0	978	0	3/31/2009	0	726	80
4/30/2009	0	988	0	4/30/2009	0	667	0
5/31/2009	0	919	0	5/31/2009	0	708	80
6/30/2009	0	957	0	6/30/2009	0	630	80
7/31/2009	0	815	0	7/31/2009	0	717	80
8/31/2009	0	799	0	8/31/2009	0	719	0
9/30/2009	0	613	0	9/30/2009	0	560	80
Average	0	852	0	39964	0	636	53

Percent Fruitland Coal		
Oil	Gas	Water
50.0%	57.3%	-

Percent Pictured Cliffs		
Oil	Gas	Water
50.0%	42.7%	-

Federal 29-22

Added the FC in 2004

Stabilized Fruitland Coal Only Production				Pictured Cliffs Only Production			
Date	BOPM	MCFPM	BWPM	Date	BOPM	MCFPM	BWPM
	OIL	GAS	WATER		OIL	GAS	WATER
1/31/2009	0	1958	0	1/31/2009	0	61	0
2/28/2009	0	283	0	2/28/2009	0	9	0
3/31/2009	0	1697	0	3/31/2009	0	52	0
4/30/2009	0	2152	0	4/30/2009	0	67	0
5/31/2009	0	1656	0	5/31/2009	0	51	0
6/30/2009	0	1896	0	6/30/2009	0	59	0
7/31/2009	0	1856	0	7/31/2009	0	57	0
8/31/2009	0	1170	0	8/31/2009	0	36	0
9/30/2009	0	1395	0	9/30/2009	0	43	0
Average	0	1563	0		0	48	0

Percent Fruitland Coal		
Oil	Gas	Water
50.0%	97.0%	50.0%

Percent Pictured Cliffs		
Oil	Gas	Water
50.0%	3.0%	50.0%

Average Fruitland Coal-Pictured Cliffs Allocation surrounding Federal 33-11

Percent Fruitland Coal			Percent Pictured Cliffs		
Oil	Gas	Water	Oil	Gas	Water
50.0%	81.3%	62.2%	50.0%	18.7%	37.8%