

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

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

Form C-103

June 19, 2008

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)		WELL API NO. 30-045-24997
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator XTO Energy Inc.		6. State Oil & Gas Lease No. NMM0359211
3. Address of Operator 382 CR 3100 AZTEC, NM 87410		7. Lease Name or Unit Agreement Name: FEDERAL 30
4. Well Location Unit Letter D : 990 feet from the NORTH line and 990 feet from the WEST line Section 30 Township 27N Range 11W NMPM NMPM County SAN JUAN		8. Well Number 11
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6109' GR		9. OGRID Number 5380
		10. Pool name or Wildcat WEST KUTZ PICTURED CLIFFS/BASIN FC

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 ☐ P AND 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 NMOC 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: 8% Water: 25%
FC: Oil: 50% Gas: 92% Water: 75%

Ownership in pools is diverse & notification was made to owners by certified mail, return receipt on 3/26/2010. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

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 4/15/2010

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 APR 19 2010

Conditions of Approval (if any):

4-19

Federal 30-41

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	988	79	1/31/2009	0	10	1
2/28/2009	0	1544	79	2/28/2009	0	15	1
3/31/2009	0	3457	79	3/31/2009	0	35	1
4/30/2009	0	2845	139	4/30/2009	0	28	1
5/31/2009	0	1950	0	5/31/2009	0	19	0
6/30/2009	0	2453	79	6/30/2009	0	24	1
7/31/2009	0	2764	79	7/31/2009	0	28	1
8/31/2009	0	3297	79	8/31/2009	0	33	1
9/30/2009	0	2874	79	9/30/2009	0	29	1
Average	0	2464	77		0	25	1

Percent Fruitland Coal		
Oil	Gas	Water
50.0%	99.0%	98.9%

Percent Pictured Cliffs		
Oil	Gas	Water
50.0%	1.0%	1.1%

Federal 31-43

Allocations approved on 6-15-09

Percent Fruitland Coal		
Oil	Gas	Water
50.0%	81.0%	75.0%

Percent Pictured Cliffs		
Oil	Gas	Water
50.0%	19.0%	25.0%

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 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 30-11

Percent Fruitland Coal			Percent Pictured Cliffs		
Oil	Gas	Water	Oil	Gas	Water
50.0%	92.3%	74.6%	50.0%	7.7%	25.4%