

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. 30-045-08122
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: PAYNE A
8. Well Number #1
9. OGRID Number 5380
10. Pool name or Wildcat BASIN DAKOTA

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: PAYNE A
2. Name of Operator XTO Energy Inc.	8. Well Number #1
3. Address of Operator 382 CR 3100 Aztec, NEW MEXICO 87410	9. OGRID Number 5380
4. Well Location Unit Letter C : 890 feet from the NORTH line and 1850 feet from the WEST line Section 19 Township 29N Range 10W NMPM County SAN JUAN	10. Pool name or Wildcat BASIN DAKOTA
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5515' GL	

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: CSG LK SQZ #2 VERBAL PERMISSION ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
RCVD JUL 12 '10
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 Inc., has received verbal permission 7/9/2010 from Kelly Roberts w/OCD @ 11:13 a.m. to re-squeeze a casing leak from 3,830'- 3,852'.

Brandon Powell with OCD also gave verbal permission for the C144 CLEZ @ 3:30 p.m 6/30/2010.

Please see the attached verbal worksheet.

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 Teena M. Whiting TITLE REGULATORY COMPLIANCE TECH DATE 7/9/2010
teena_whiting@xtoenergy.com
Type or print name TEENA M. WHITING E-mail address: teena_whiting@xtoenergy.com PHONE 505-333-3100

For State Use Only

APPROVED BY Kelly G. Roberts TITLE Deputy Oil & Gas Inspector, District #3 DATE JUL 16 2010
Conditions of Approval (if any):

K

XTO Verbal Approval Form

Well Name	Well #	API #	County/State	XTO Employee Requesting Verbal Approval
Payne A #1	70807	30-045-08122	San Juan, NM	Geoffrey Steiner
Detailed Description of Proposed Action Requiring Verbal Approval				
Received verbal approval on 6/30/2010 at 2:40 PM from Steve Hayden with the				
New Mexico Oil Conservation Division to squeeze a casing leak from 3,881' - 4,230'.				
Received verbal approval on 07/09/2010 at 11:13 AM from Kelly Roberts with the New Mexico Oil Conservation Division to re-squeeze a casing leak from 3,830' - 3,852'.				
Name of Agency	Verbal Approval Given By	Date/Time of Verbal Approval	COA's	
NMOCD	Steve Hayden	6/30/2010 @ 2:40 PM		
NMOCD	Kelly Roberts	07/09/2010 @ 11:13 AM		
Is Pit Permit C144-CLEZ Required? (NM only)	Verbal Pit Approval Given By	Date/Time of Pit Verbal Approval	COA's	
Yes	Brandon Powell	6/30/2010 @ 3:30 PM		