

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. 30-045-30994
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-11242
7. Lease Name or Unit Agreement Name: ROPCO 16
8. Well Number #3
9. OGRID Number 5380
10. Pool name or Wildcat TWIN MOUNDS FS FC/Basin FC
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5175'GR

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

4. Well Location
 Unit Letter L : 2506 feet from the SOUTH line and 1006 feet from the WEST line
 Section 16 Township 29N Range 14W NMPM County SAN JUAN

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

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER:

OTHER:

RCVD FEB 23 '11
 OIL CONS. DIV.
 DIST. 3

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. requests permission to DHC this well per OCD Rule 19.15.12.11 C(2) in the Basin FC (71629, 430'-540') & the Twin Mounds FS FC (86620, 552'-558') upon completion of the FC. Pool combinations are pre-approved per Order R-11363. Allocations are based on daily FC production in Oct. 2010 & avg daily production from XTO's FC wells in the surrounding nine sections. Please see attached spreadsheet.

Gas: FC 27% FC 73% Water: PC 53% FC 47% Oil: PC 100% FC 0%

Ownership is diverse & notification was made by CRR on 2/02/2011 without protest. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. A courtesy copy was mailed to the BLM for CA (NMM-110435) purposes on 2/22/2011.

Spud Date: Rig Release Date: *DHC 3542 AZ*

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 2/22/2011
 Type or print name WANETT MCCAULEY E-mail address: wanett_mccauley@xtoenergy.com PHONE 505-333-3630

For State Use Only
 APPROVED BY Charlie TITLE SUPERVISOR DISTRICT #3 DATE FEB 28 2011

Conditions of Approval (if any):
K



Ropco 16 #3
2,506' FSL & 1,006' FWL, Section 16, T 29 N, R 14 W
San Juan County, New Mexico
API 30-045-30994

Proposed Down-Hole Commingled Allocation Percentages

The Ropco 16 #3 is currently completed in the Twin Mounds Pictured Cliffs only. XTO Energy proposes to complete the Basin Fruitland Coal and produce the well as a down-hole commingled Fruitland Coal and Pictured Cliffs well. Proposed allocation percentages were calculated using average daily Pictured Cliffs production from the Ropco 16 #3 in October, 2010, and average daily production from XTO's Fruitland Coal wells in the surrounding nine sections. Interest owners have been notified of XTO's intent to complete the Fruitland Coal and down-hole commingle with the Pictured Cliffs. Down-hole commingling the two formations will not reduce the value of the well. Please see the attached spreadsheet for supporting data and calculations.

Average daily production for the Fruitland Coal (FC) wells in the surrounding sections and the Pictured Cliffs (PC) in the Ropco 16 #3:

AVERAGE DAILY PRODUCTION		
	FC (9 sections)	PC (Ropco 16 #3)
Gas (MCF)	106	39
Water (BPD)	66	58
Oil (BPD)	0	0

Proposed allocation percentages based on average daily production rates:

PROPOSED ALLOCATIONS		
	FC	PC
Gas	73%	27%
Water	47%	53%
Oil	0%	100%

API	LEASE NAME	NO.	RESERVOIR	S	T	R	OPERATOR	1st PROD	LAST PROD	CUM GAS	CUM WATER	EUR GAS	DLY GAS	DLY WAT
30045330190000	FRPC 15	1	FRUITLAND COAL	15	29 N	14 W	XTO ENERGY	20060228	20101201	365,464	125,973	733,237	165.2	88.6
30045327160000	FRPC 15	2	FRUITLAND COAL	15	29 N	14 W	XTO ENERGY	20050831	20101201	212,762	92,722	613,220	114.9	32.1
30045312940000	NV NAVAJO 15	4	FRUITLAND COAL	15	29 N	14 W	XTO ENERGY	20060331	20101201	182,622	42,223	693,524	110.6	25
30045310560000	NV NAVAJO 20	4	FRUITLAND COAL	20	29 N	14 W	XTO ENERGY	20060228	20101201	34,587	31,369	125,980	51	43.1
30045333880000	NV NAVAJO 21	1	FRUITLAND COAL	21	29 N	14 W	XTO ENERGY	20070930	20101201	114,572	108,391	469,172	175.1	137.2
30045317760000	NV NAVAJO 21	2	FRUITLAND COAL	21	29 N	14 W	XTO ENERGY	20050831	20101201	80,742	42,482	335,744	102.6	32.5
30045317770000	NV NAVAJO 22	2	FRUITLAND COAL	22	29 N	14 W	XTO ENERGY	20050731	20101101	44,038	137,483	44,715	35.2	108.2
30045310460000	NV NAVAJO 22	3	FRUITLAND COAL	22	29 N	14 W	XTO ENERGY	20040831	20101201	83,435	180,608	454,711	108.7	200.7
30045081420000	NW CHA CHA UNIT	11	FRUITLAND COAL	20	29 N	14 W	XTO ENERGY	20070228	20101201	173,057	43,727	618,412	122.1	22.7
30045304440000	ROP CO 10	1	FRUITLAND COAL	10	29 N	14 W	XTO ENERGY	20060228	20101201	219,005	74,683	818,878	163	48.2
30045323150000	ROP CO 17	4	FRUITLAND COAL	17	29 N	14 W	XTO ENERGY	20051031	20101201	183,116	303,430	486,923	98.6	93.3
30045338840000	ROP CO 9	2R	FRUITLAND COAL	9	29 N	14 W	XTO ENERGY	20070131	20101201	61,285	116,981	113,493	31.6	70.2
30045338830000	ROP CO 9	3R	FRUITLAND COAL	9	29 N	14 W	XTO ENERGY	20070331	20101201	176,320	76,579	724,916	127.4	64.1
30045320980000	WF FRPC 17	1	FRUITLAND COAL	17	29 N	14 W	XTO ENERGY	20050930	20101201	191,636	53,864	520,657	84.8	16.5
30045321400000	WF FRPC 17	2	FRUITLAND COAL	17	29 N	14 W	XTO ENERGY	20050930	20101201	214,722	19,833	556,287	95	3.7
									AVERAGE	155,824	96,690	487,325	106	66