

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
Revised May 08, 2003

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

WELL API NO. 3004531283
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: BOLACK A
8. Well Number 1R
9. OGRID Number 167067
10. Pool name or Wildcat BASIN DAKOTA / KUTZ GALLUP

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

2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

4. Well Location

Unit Letter **A** : **1885** feet from the **NORTH** line and **1730** feet from the **EAST** line

Section **02** Township **27N** Range **11W** NMPM County **SAN JUAN**

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

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 COMPLETION ☐

OTHER: **DOWNHOLE COMMINGLE** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND 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.

DHC 1440AZ
XTO Energy Inc. requests administrative approval for an exception to Rule 303-C to permit the downhole commingling of production in this well from the Basin Dakota and Kutz Gallup pools. Attached for your reference is production data for the Basin Dakota and Kutz Gallup pools in a nine section area and the allocation formula. The Bolack A #1R is in the process of being drilled as a Basin Dakota/Kutz Gallup well. It is proposed to downhole commingle both zones during completion. Based upon the cumulative production for each pool in the nine section area, the following allocations were determined:

Blm notified
Basin Dakota (71599) Oil 52% Water 52% Gas 88%
Kutz Gallup (36550) Oil 48% Water 48% Gas 12%

The ownership (WI, NRI & ORRI) of these pools are identical in this wellbore. DHC in this manner will offer an economic method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

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

SIGNATURE *Holly C. Perkins* TITLE REGULATORY SPECIALIST DATE 3/1/04

Type or print name **HOLLY C. PERKINS**

Telephone No. **505-564-6720**

(This space for State use)

APPROVED BY *[Signature]* TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE MAR - 4 2004

Conditions of approval, if any:

Bolack A #1R
NE/4 Section 2, T-27-N, R-11-W

Lease	Well#	Sec	Twp	Rng	Gallup		Dakota	
					CUM (MMCF)	CUM (MBO)	CUM (MMCF)	CUM (MBO)
E H PIPKIN	10E	1H	27N	11W	10	1	299	3
E H PIPKIN	8X	1N	27N	11W			550	7
E H PIPKIN	8R	1L	27N	11W	10	2	91	3
E H PIPKIN	8E	1P	27N	11W			109	1
E H PIPKIN	10	1E	27N	11W			1843	22
ANGEL PEAK	1	2M	27N	11W			7006	61
ANGEL PEAK	1E	2P	27N	11W			1244	10
BOLACK A	1	2B	27N	11W	134	18	3364	38
BOLACK A	1E	2F	27N	11W			739	5
SCHLOSSER WN FEDERAL	2R	3K	27N	11W			857	5
SCHLOSSER WN FEDERAL	6	3	27N	11W			2743	22
SCHLOSSER WN FEDERAL	6E	3P	27N	11W			944	6
SCHLOSSER WN FEDERAL	2	3M	27N	11W	2	20	2875	26
SCHLOSSER WN FEDERAL	7E	10A	27N	11W			1320	9
SCHLOSSER WN FEDERAL	1	10C	27N	11W	64	67	1549	20
SCHLOSSER WN FEDERAL	1R	10E	27N	11W			558	3
SCHLOSSER WN FEDERAL	7	10P	27N	11W			2946	21
FULLERTON FEDERAL 23 GD	11	11K	27N	11W	82	2	14	1
FULLERTON FEDERAL	6	11E	27N	11W	31	3	1950	20
FULLERTON FEDERAL 27 11	1	11I	27N	11W			90	2
FULLERTON FEDERAL	6E	11B	27N	11W	51	2	1257	8
FULLERTON FEDERAL	7	11K	27N	11W			1571	27
E H PIPKIN	11E	12J	27N	11W			756	6
E H PIPKIN	11	12M	27N	11W			487	4
E H PIPKIN	12E	12E	27N	11W			640	10
E H PIPKIN	12	12G	27N	11W			2399	28
SCHLOSSER WN FEDERAL	5	34M	28N	11W			4635	34
SCHLOSSER WN FEDERAL	4E	34J	28N	11W			846	6
SCHLOSSER WN FEDERAL	5E	34F	28N	11W			243	2
SCHLOSSER WN FEDERAL	4	34A	28N	11W			4092	33
SCHLOSSER WN FEDERAL	2E	3	27N	11W			875	7
E H PIPKIN	7E	35J	28N	11W			1013	6
E H PIPKIN	7	35H	28N	11W			3444	44
E H PIPKIN	9	35N	28N	11W			2605	25
E H PIPKIN	9E	35D	28N	11W			930	4
E H PIPKIN	6	36M	28N	11W			2550	31
E H PIPKIN	5	36B	28N	11W			2477	36
E H PIPKIN	5E	36J	28N	11W			649	5
E H PIPKIN	6E	36E	28N	11W			1708	10
E H PIPKIN	26	12E	27N	11W	220	14		
SCHLOSSER WN FEDERAL	1E	10P	27N	11W	1566	18		
Totals					2169	147	64271	611
Average					217	15	1648	16

Proposed Allocations

	Gas %	Oil %	Water %
Gallup	12%	48%	48%
Dakota	88%	52%	52%