Form C-103

State of New Mexico Submit 3 Copies To Appropriate District Energy, Minerals and Natural Resources Revised March 25, 1999 Office WELL API NO. District.1 1625 N. French Dr., Hobbs, NM 87240 30-045-23728 OIL CONSERVATION DIVISION District II 5. Indicate Type of Lease 811 South First, Artesia, NM 87210 2040 South Pacheco District III FEE 😠 STATE Santa Fe, NM 87505 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. District IV 2040 South Pacheco, Santa Fe, NM 87505 7. Lease Name or Unit Agreement Name: SUNDRY NOTICES AND REPORTS ON WEI (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-107) FOR SUCH MADDOX GAS COM C PROPOSALS.) 1. Type of Well: Oil Well Gas Well X 8. Well No. 2. Name of Operator XIO Energy Inc 9. Pool name or Wildcat 3. Address of Operator BASIN DAKOTA 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401 4. Well Location EAST SOUTH line and_ 820 feet from the line 500 feet from the_ Unit Letter ___ NMPM SAN JUAN County NM 10W Township 29N Range 27 Section 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5529' GR 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: **ALTERING CASING** PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK COMMENCE DRILLING OPNS. **PLUG AND CHANGE PLANS** TEMPORARILY ABANDON **ABANDONMENT** CASING TEST AND **MULTIPLE** PULL OR ALTER CASING COMPLETION CEMENT JOB \mathbf{x} OTHER: INSTALL ROD PUMPING EQUIPMENT OTHER: 12. 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 recompilation. 5/15/02 - 5/24/02: MIRU completion rig. ND WH. NU BOP. TOH w/tbg. CO fill fr/6,480' - 6,516' (PBTD). TIH w/2-3/8" tbg. ND BOP. NU WH. Landed EOT @ 6,496'. DK perfs fr/6,315' - 6,442'. PBTD 6,516'. TIH w/1-1/2" pump & 3/4" & 7/8" tapered rod string. RDMO completion rig. Set Lufkin 160-64 ppg ut. Started pumping unit. I hereby certify that the information above is true and complete to the best of my knowledge and belief. 6/11/02 TITLE OPERATIONS ENGINEER _DATE__ SIGNATURE_ Telephone No. 505-324-1090 Type or print name RAY MARTIN (This space for State use) TITLE APPROVED BY

Conditions of approval, if any: