

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. **30-045-32243**

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:
PADILLA

8. Well Number
#2

9. OGRID Number
167067

10. Pool name or Wildcat
BASIN FRUITLAND COAL

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 **N** : **865'** feet from the **SOUTH** line and **1,960'** feet from the **WEST** line
 Section **26** Township **30N** Range **12W** NMPM County **SAN JUAN**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5,763' 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 COMPLETION
 OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
 CASING TEST AND CEMENT JOB
 OTHER: **SPOD & TD**

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.

Spudded 12-1/4" hole @ 12:30 a.m. 05/13/04. Drld to 234'. TIH w/5 jts, 7", 20.0#, J-55, ST&C csg to 230' KB. Cmt'd csg w/60 sx Type III cmt w/3% CaCl2 & 1/4#/sx celloflake (mixed @ 14.5 ppg, 1.42 cuft/sx). Circ 9 hbbs cmt to surf. PT BOPE & surf csg to 850 psig for 30 min. Held OK. Reached driller's TD of 2,153' @ 12:30 p.m., 05/16/04. TIH w/52 jts 4-1/2", 10.5#, J-55, ST&C csg to 2,150' KB. Cmt'd csg w/185 sx Type III cmt w/8% gel, 1/4#/sx celloflake & 2% Phenoseal (11.9 ppg, 2.64 cuft/sx) followed by 80 sx Type III w/1% CaCl2, 1/4#/sx celloflake & 2% Phenoseal (14.5 ppg, 1.41 cuft/sx). Circ 45 hbbs cmt to surf. Rlsd Stewart Brothers drilling Rig #45 @ 1:00 p.m., 05/17/04.

****PRODUCTION CSG WILL BE PRESSURE TESTED @ COMPLETION****

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

SIGNATURE Jeff Patton TITLE DRILLING ENGINEER DATE 05/18/04

Type or print name JEFF PATTON Telephone No. 505-324-1090

(This space for State use)
 APPROVED BY Chak D. TITLE DEPUTY OIL & GAS INSPECTOR, DIST. # DATE MAY 27 2004
 Conditions of approval, if any: