

Submit 3 Copies To Appropriate District Office -  
District I  
1625 N. French Dr., Hobbs, NM 88240  
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  
May 27, 2004

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

WELL API NO 30-045-32640
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 EH PIPKIN
8. Well Number 8F
9. OGRID Number 167067
10. Pool name or Wildcat KUTZ GALLUP/BASIN DAKOTA
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5750' 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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator XTO Energy Inc.	
3. Address of Operator 2700 Farmington Ave, Suite K-1, Farmington, NM 87401	
4. Well Location Unit Letter K : 1460 feet from the South line and 2600 feet from the West line Section 1 Township 27N Range 11W NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5750' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: DOWNHOLE COMMINGLE

X

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. is requesting an administrative approval for an exemption to Rule 303-C to permit downhole commingling of production from the Basin Dakota pool (71599), the Kutz Gallup pool (36550). Both pools are included in the pre-approved pools established by Division Order R-11363. XTO proposes to downhole commingle these pools upon completion of the well. The proposed allocations are based on an individual pool, average production of wells located in a nine section surrounding area. See attachments for supporting documentation and plats for this well. Based upon the average production, XTO proposes to allocate the commingled production as follows:

Pool	Gas	Oil	Water
Basin-Dakota	99%	93%	99%
Gallup	1%	7%	1%
Kutz			

Ownership in this well's pools is common and notification to WI, ORRI and NRI owners is not required. Downhole commingling will offer an economic method of production while protecting against reservoir damage, waste of reserves, and protecting correlative rights. A sundry notice to subsurface commingle has been filed with the BLM.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Russell A. Scale for Holly C. Perkins TITLE: REGULATORY COMPLIANCE TECH DATE 03/02/05

Type or print name Holly C. Perkins E-mail address: holly\_perkins@xtoenergy.com Telephone No. 505 564-6720

For State Use Only

APPROVED BY: [Signature] TITLE: DEPUTY OIL & GAS INSPECTOR DIST. 05 DATE: FEB 11 2005  
Conditions of Approval (if any):

<b>E H Pipkin #8F</b>			
	<b>Cum</b>	<b>Cum</b>	<b>Cum</b>
	<b>Oil</b>	<b>Gas</b>	<b>Water</b>
	<b>(bbls)</b>	<b>(mcf)</b>	<b>(bbls)</b>
Dakota	549,237	53,843,703	849,239
Gallup	43,373	572,889	4,268
	592,610	54,416,592	853,507
	<b>Oil</b>	<b>Gas</b>	<b>Water</b>
Dakota %	93%	99%	99%
Gallup %	7%	1%	1%
Based on 9 section area surrounding this well.			