

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. <u>2</u> 30-045- <del>3</del> 4003
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. N/A
7. Lease Name or Unit Agreement Name: MARDEN GAS COM
8. Well Number #1E
9. OGRID Number 5380
10. Pool name or Wildcat BASIN DAKOTA/BASIN MANCOS
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5,405' GL

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
2. Name of Operator XTO Energy Inc.
3. Address of Operator 382 CR 3100 AZTEC, NM 87410
4. Well Location Unit Letter <u>D</u> : <u>1170</u> feet from the <u>NORTH</u> line and <u>1190</u> feet from the <u>WEST</u> line Section <u>28</u> Township <u>29N</u> Range <u>11W</u> NMPM <u>NMPM</u> County <u>SAN JUAN</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5,405' 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 COMPL   
 DOWNHOLE COMMINGLE

OTHER:

SUBSEQUENT REPORT OF:

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

RCVD APR 5 '13  
 OIL CONS. DIV.  
 DIST. 3

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 requests an exception to OCD Rule 19.15.12.9 to permit DHC of the Basin DK (71599) & the Basin MC (97232), both are pre-approved per order R-12984B, upon approval of this application. Please see attached spreadsheet for justification of proposed allocations.

Basin Dakota Gas: 30% Oil: 1% Water: 4% Basin Mancos Gas: 70% Oil: 99% Water: 96%  
 Ownership is diverse & notification was made without protest by CRR on 2/22/13. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

DHC 3822 A2

Spud Date:

Rig Release Date:

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

SIGNATURE Kristen D. Lynch TITLE REGULATORY ANALYST DATE 4/3/2013  
 Type or print name KRISTEN D. LYNCH E-mail address: kristen\_lynch@xtoenergy.com PHONE 505-333-3206

For State Use Only  
 APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE APR 11 2013

Conditions of Approval (if any): Ca



382 CR 3100  
Aztec, NM 87410

February 22, 2013

Interest Owners

Subject: Notice of Intent to Apply for Downhole Commingling  
**Masden Gas Com #1E**  
Unit D, Sec 28, T29N, R11W

XTO Energy Inc is submitting an application to the New Mexico Oil Conservation Division (NMOCD) to downhole commingle production from the, Basin Dakota and the Basin Mancos pools in the Masden Gas Com #1E gas well. Commingling of these pools will minimize operating costs, add reserves and improve economics of the well.

The proposed allocation percentages for each pool are as follows:

Basin Dakota	Gas: 30 %	Water: 4%	Oil: 1%
Basin Mancos	Gas: 70%	Water: 96%	Oil: 99%

NMOCD requires that all interest owners be notified of our intent to downhole commingle, if ownership is different between formations. If you need additional information or have any questions, I may be contacted at (505) 333-3206. If you have any objections to our application, please contact me within twenty (20) days of the date of this letter.

Sincerely,

A handwritten signature in black ink that reads 'Kristen D. Lynch'.

Kristen D. Lynch  
Regulatory Analyst

