Form C-103 State of New Mexico Submit 3 Copies To Appropriate District Office Energy, Minerals and Natural Resources May 27, 2004 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-045-33636 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE X FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A STATE J COM DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: Gas Well X Oil Well Other 9. OGRID Number 2. Name of Operator 167067 XIO Energy Inc. 3. Address of Operator 10. Pool name or Wildcat BASIN FRUITLAND COA 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401 4. Well Location 1805 660 WEST SOUTH Unit Letter feet from the line and feet from the Section Township 26N Range NMPM County SAN JUAN 16 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 62371 Pit or Below-grade Tank Application or Closure ____ Depth to Groundwater _ _ Distance from nearest fresh water well _____ Distance from nearest surface water Pit Liner Thickness: _ Below-Grade Tank: Volume ____ _bbls; Construction Material _ 12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON ... REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. [**PLUG AND** ABANDONMENT **PULL OR ALTER CASING** CASING TEST AND MULTIPLE COMPLETION **CEMENT JOB** OTHER: OTHER: SPUD, SET, PT CSG \mathbf{x} 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. spudded 12-1/4" surf hole @ 10:30 p.m., 03/21/06. RIH w/5jts 9-5/8", 36#, J-55 ST&C csg to 246.53' KB. Cmtd surf csg w/160 sx Type III cmt w/3% CaCl2, & 1/4 pps celloflake (15.2 ppg & 1.28 cuft/sx). Circ 18 bbls cmt to surf. PT surf csg to 1000 psig f/30 min. Held ok. RIH w/37 jts 7", 20#, J-55, ST&C csg to 1577.60' KB. Cmtd int csg w/60 sx Prem Lite HS FM cmt w/2% Pot Chloride, 1/2 pps celloflake, 0.2% CD32, 0.5% FL52, & 2% phenoseal (12.5 ppg & 2.34 cuft/sx) f/b 150 sx Type III cmt w/1/4 pps celloflake, 0.3% CD32, 0.2% FL52, & 2% phenoseal (14.2 ppg & 1.48 cuft/sx). Circ 15_bbls_cmt to surf. Bumped plug @ 5:22 p.m., 03/26/06 w/1625 psig. Float held. Spotted cmt plug on btm @ 1703' (60 sx Type III cmt w/2% CC (14.8 ppg & 1.34 cuft/sx). Squzd to 250#. Held ok. 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 belowgrade tank has been/will be/constructed op closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan

TITLE REGULATORY COMPLIANCE TECH

GEPUTY OIL & GAS INSPECTOR, DIST. &L

E-mail address:

SIGNATURE

For State Use Only

Conditions of Approval, if any:

APPROVED BY

Type or print name LORRI D. BINGHAM

5/12/06

DATE

DATE

Telephone No. 505-324-1090

MAY 15 2006

REGULATORY COMPLIANCE TECH