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

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

Form C-103
May 27, 2004

WELL API NO. 30-045-25557

5. Indicate Type of Lease STATE [x] FEE [ ]

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name: STATE GAS COM BP

1. Type of Well: Oil Well [ ] Gas Well [x] Other

8. Well Number #1E

2. Name of Operator XTO Energy Inc.

9. OGRID Number 167067

3. Address of Operator 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

10. Pool name or Wildcat BASIN DAKOTA

4. Well Location

Unit Letter J : 1770 feet from the SOUTH line and 1810 feet from the EAST line

Section 32 Township 29N Range 9W NMPM County SAN JUAN

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 6254' GR

Pit or Below-grade Tank Application [ ] or Closure [ ]

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:				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	[ ]	MULTIPLE COMPLETION	[ ]	CASING TEST AND CEMENT JOB	[ ]		
OTHER: RECOMPLETE MESAVERDE			[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. intends to recomplete & downhole commingle the above mentioned well to the Blanco Mesaverde pool (72319) per the attached procedure.

SEP 2006

HOLD C104 for C102 for Mesaverde

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 Lorri D. Bingham TITLE REGULATORY COMPLIANCE TECH DATE 9/13/06

E-mail address: lorri_bingham@xtoenergy.com

Type or print name LORRI D. BINGHAM Telephone No. 505-324-1090

For State Use Only

APPROVED BY _____ TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE SEP 15 2006

Conditions of Approval, if any: DHC requires a separate application.

Approved _____

State Gas Com BP #1E
Unit J, Sec 32, T 29 N, R 09 W
San Juan County, New Mexico

OAP in Mesaverde & DHC

Surf csg:	9-5/8", 36# csg @ 331'. Circ cmt to surf.
Intermediate csg:	7", 20#, J-55 csg @ 3,005'. Circ cmt to surf.
Liner:	4-1/2", 10.5#, J-55, ST&C liner fr/2,880'-7,240'. Circ cmt to surf.
Perfs:	DK: 7,044'-52' & 7,096'-7,118' w /2 JSPF.
Tbg:	219 jts 2-3/8", 4.7#, J-55, EUE 8RD tbg, SN & NC. SN @ 7,122'. EOT @ 7,123'.
Status:	PL: 0 BOPD, 0 BWPD, 68 MCFPD

1. MI and set 4 – 400 bbl clean frac tanks. Fill tanks with 2% KCl water. Set 1 flowback tank.

2. MIRU PU.

3. Blow well down and kill well with 2% KCl water.

4. ND WH. NU and pressure test BOP. TOH and lay down 2-3/8" tubing.

5. MIRU Wireline truck. RIH with 4-1/2" CBP. Set CBP at 5,000'. POH. Blow well down.

6. MI and set Stinger 5,000 psig WP frac valve. MIRU Acid truck. Load casing with 2% KCl water. Pressure test casing and CBP to 1,500 psig for 30 minutes. Increase pressure to 3,000 psig for 5 minutes.

7. MIRU Wireline truck. RU full lubricator. Run GR/CCL log from 5,000' to 1,300'. Correlate depth with Gearhart Dual Induction log dated December 14, 1983. RDMO PU. RDMO WL truck.

8. MIRU Wireline and mast trucks. Perf Point Lookout with 3-1/8" select fire csg gun with 1 JSPF (Owen HSC-3125-302, 10 gm charges, 0.34" dia., 21.42" pene., 23 holes). POH with csg gun.

Point Lookout Perfs

Perf	CCL	Perf	CCL	Perf	CCL	Perf	CCL
4,947'		4,905'		4,868'		4,844'	
4,934'		4,902'		4,865'		4,841'	
4,932'		4,888'		4,857'		4,838'	
4,926'		4,885'		4,854'		4,836'	
4,914'		4,874'		4,851'		4,834'	
4,909'		4,871'		4,848'			

9. MIRU acid and pump truck. BD MV perfs from 4,834'-4,947' and EIR with 2% KCl water. Acidize with 1,250 gals of 15% NEFE HCl acid and 35 BS at 10 BPM down casing. Do not exceed 3,000 psig. Flush with 6,356 gals of 2% KCl water (3 bbls over flush). Record ISIP,

5", 10" and 15" SIP's. RDMO acid and pump truck. RIH with JB to 4,950' FS to knock off BS. POH with JB. RD WL and mast truck.

10. MIRU Halliburton frac equip. Frac Point Lookout perfs 4,834'-4,947' down casing at 40 BPM with 68,000 gals 70Q, N_2 foamed, 25# linear gelled, 2% KCl water carrying 97,000# 20/40 Brady sand and 21,000# 20/40 Super LC RC sand . Do not exceed 3,000 psig. Flush 70Q, N_2 foamed, 25# linear gel (1 bbl under flush). Record ISIP, 5", 10" and 15" SIP's.

POINT LOOKOUT SCHEDULE

Stage	BPM	Fluid	Vol Gals	Prop Conc	Prop
Pad	40	25# 70Q foam	13,000		
2	40	25# 70Q foam	15,000	1	15,000# 20/40 Brady
3	40	25# 70Q foam	17,000	2	34,000# 20/40 Brady
4	40	25# 70Q foam	16,000	3	48,000# 20/40 Brady
5	40	25# 70Q foam	7,000	3	21,000# 20/40 Brady
Flush	30	25# 70Q foam	6,112		

11. SWI for 1 hr. MIRU Wireline and mast trucks. RIH with Baker 4-1/2" CBP and set at 4,730'. POH with WL. Blow down well. Pressure test CBP to 3,000 psig for 10". Release pressure and blow down well.

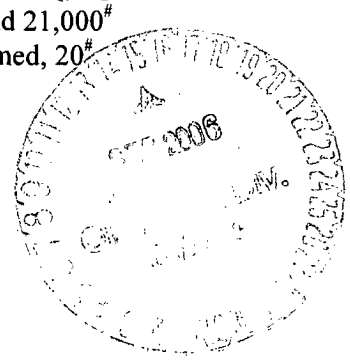
12. Perf Menefee with 3-1/8" select fire csg gun with 1 JSPF (Owen HSC-3125-302, 10 gm charges, 0.34" dia., 21.42" pene., 23 holes). POH with csg gun.

Menefee Perfs

Perf	CCL	Perf	CCL	Perf	CCL	Perf	CCL	Perf	CCL
4,663'		4,646'		4,563'		4,506'		4,481'	
4,660'		4,643'		4,560'		4,504'		4,479'	
4,657'		4,604'		4,534'		4,492'		4,475'	
4,653'		4,601'		4,531'		4,490'			
4,650'		4,598'		4,508'		4,487'			

13. MIRU acid and pump truck. BD Menefee perfs from 4,475'-4,663' and EIR with 2% KCl water. Acidize with 1,250 gals of 15% NEFE HCl acid and 35 BS at 10 BPM down casing. Do not exceed 3,000 psig. Flush with 2% KCl water (3 bbls over flush). Record ISIP, 5", 10" and 15" SIP's. RDMO acid and pump truck. RIH with JB to 5,450' FS to knock off BS. POH with JB. RD wireline and mast truck.

14. Frac Menefee perfs from 4,475'-4,663' down casing at 40 BPM with 68,000 gals 70Q, N_2 foamed, 20# linear gelled, 2% KCl water carrying 97,000# 20/40 Brady sand and 21,000# 20/40 Super LC RC sand . Do not exceed 3,000 psig. Flush with 70Q, N_2 foamed, 20# linear gel (3 bbls under flush). Record ISIP, 5", 10" and 15" SIP's.



MENEFEE SCHEDULE

Stage	BPM	Fluid	Vol Gals	Prop Conc	Prop
Pad	40	20# 70Q foam	13,000		
2	40	20# 70Q foam	15,000	1	15,000# 20/40 Brady
3	40	20# 70Q foam	17,000	2	34,000# 20/40 Brady
4	40	20# 70Q foam	16,000	3	48,000# 20/40 Brady
5	40	20# 70Q foam	7,000	3	21,000# 20/40 Brady
Flush	30	20# 70Q foam	5,788		

15. SWI 4 hrs. RDMO Halliburton, and N2 frac equip. Install flowback manifold. Flow back well thru a choke manifold to flowback tank. Start with 8/64" ck. Increase choke size as appropriate.

16. MI ±156 jts (5,000') 2-3/8", 4.3#, J-55, EUE, 8rd tubing.

17. Upon well loading up. MIRU PU and air/foam unit. RD frac valve. NU BOP. PU & TIH with 3-7/8" bit, SN and 2-3/8" tubing. CO to CBP at 4,730'. DO CBP at 4,730'. CO to CBP at 5,000'. Circulate wellbore clean. RDMO air/foam unit.

18. TOH with tubing and bit. TIH with NC, SN and tubing. ND BOP. PU and land tubing at 4,890'. NU WH.

19. RDMO PU. RWTP for +/- 1 month to establish rates for Mesaverde test and DHC allocation. Report rates and pressures to Loren Fothergill.

20. Upon approval of DHC orders. MIRU PU. MI ±68 jts (2,183') 2-3/8", 4.3#, J-55, EUE, 8rd tubing.

21. Blow well down and kill well with 2% KCl water.

22. ND WH. NU and pressure test BOP.

23. TOH with tbg, SN and bit. TIH with 3-7/8" bit, SN and tbg. Tag CBP at 5,000'. DO CBP at 5,000'. CO to PBTD at 7,183'.

24. TOH with tubing and bit. TIH with NC, SN and tubing. ND BOP. PU and land tubing at 7,080'.

25. RDMO PU. Report rates and pressures to Loren Fothergill. If well conditions required, contact Loren Fothergill for pumping unit design.

REGULATORY REQUIREMENTS:

1. Pit Permit Required.

2. BLM and NMOCD approval to open additional pay in the Mesaverde formation

3. DHC the MV and DK formations based on DK pervious production and the Mesaverde 1 month production rates.

SERVICES:

1. Halliburton Frac.
2. Perforating company: None specified.
3. Stinger 5,000 psig WP frac valve.

EQUIPMENT LIST:

1. 4 – 400 bbl frac tanks and flowback tank.
2. Tbg: 15 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg.