

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
May 27, 2004

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

RCVD NOV 13 2006
OIL CONS. DIV.
DIST. 3

WELL API NO. 30-045-26248	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name: STATE GAS COM BR	
8. Well Number #1E	
9. OGRID Number 167067	
10. Pool name or Wildcat BASIN DAKOTA/BLANCO MESAVERDE	
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 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401	
4. Well Location Unit Letter <u>A</u> : <u>810</u> feet from the <u>NORTH</u> line and <u>800</u> feet from the <u>EAST</u> line Section <u>2</u> Township <u>29N</u> Range <u>10W</u> NMPM County <u>SAN JUAN</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
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:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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. requests an exception to NMOCD Rule 303A to permit DHC of production from the Basin Dakota (71599) & the Blanco Mesaverde (72319) in this well. XTO proposes to DHC the two pools upon completion of the well. Proposed allocations will be based on production as follows:

Blanco Mesaverde: Gas 83% Oil 97% Wtr 47%
Basin Dakota: Gas 17% Oil 3% Wtr 53%

Ownership in pools is diverse & notification was made to owners by CRR mail on 10/23/06. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. Application for DHC was submitted to BLM on 11/9/06.

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 11/9/06
E-mail address: Regulatory@xtoenergy.com
Type or print name LORRI D. BINGHAM Telephone No. 505-324-1090

For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #1 DATE NOV 13 2006
Conditions of Approval, if any: Notice State Land Office