

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

WELL API NO. 30-045-34214
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: DANBURG GAS COM B RCUD MAY16'07
8. Well Number #1Y OIL CONS. DIV.
9. OGRID Number DIST. 3 5380
10. Pool name or Wildcat BASIN DAKOTA

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	7. Lease Name or Unit Agreement Name: DANBURG GAS COM B RCUD MAY16'07
2. Name of Operator XTO Energy Inc.	8. Well Number #1Y OIL CONS. DIV.
3. Address of Operator 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401	9. OGRID Number DIST. 3 5380
4. Well Location Unit Letter H : 1445 feet from the NORTH line and 235 feet from the EAST line Section 21 Township 30N Range 12W NMPM County SAN JUAN	10. Pool name or Wildcat BASIN DAKOTA
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5626'	
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 COMPLETION ☐
OTHER: **EXCEPTION TO TUBING RULE** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
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. requests exception to Rule 19.15.3.107 (J2) requiring all wells equipped with casing larger in size than 3-1/2" OD be tubed. XTO requests the Danburg Gas Com B #1Y be produced with no tubing due to high pressure in the well. By producing this well without tubing, we will incur no waste.

My exception expires 90 days from 'Ready to Produce' date

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 NMOC guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE *Lorri D. Bingham* TITLE REGULATORY COMPLIANCE TECH DATE 5/15/07
Type or print name **LORRI D. BINGHAM** E-mail address: Regulatory@xtoenergy.com Telephone No. 505-324-1090

For State Use Only

APPROVED BY *H. Villanueva* TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE MAY 16 2007
Conditions of Approval, if any: