

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

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.)		WELL API NO. 30-045-32660
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator XTO Energy Inc.		6. State Oil & Gas Lease No.
3. Address of Operator 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401		7. Lease Name or Unit Agreement Name: STATE GAS COM N
4. Well Location Unit Letter D ; 720 feet from the NORTH line and 1190 feet from the WEST line Section 16 Township 31N Range 12W NMPM County SAN JUAN		8. Well Number #3 DIST. 3
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6155' GL		9. OGRID Number 5380
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 _____		10. Pool name or Wildcat BASIN FC / AZTEC PC

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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐

OTHER: **DHC ALLOCATIONS** ☒

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. previously received permission to downhole the Fruitland Coal (71629) and the Pictured Cliffs (71280) pools in this well under DHC order #DHC1873AZ. Please see the attachments for allocation details for this well.

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 Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 5/29/07

Type or print name **HOLLY C. PERKINS** E-mail address: **holly_perkins@xtoenergy.com** Telephone No. **505-324-1090**

For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUN 06 2007

Conditions of Approval, if any:

State Gas Com N #3

The gas DHC allocation percentages were determined by individual zone well tests. The Picture Cliff (PC) formation ending average test rate was 96 MCFD prior to recompletion to the Fruitland Coal (FC). The ending average test rate for the FC formation was 140 MCFD (Please see attached graphs). Based on these ending test rates, we calculated the gas allocation percentages of 41% for the PC and 59% for the FC. No oil was produced from either zone during the production tests, but if any is produced, 100% will be allocated to the PC. Water allocation will be 33% to the PC and 67% to the FC based the same well test.

Pool	Oil	Water	Gas
FC	0%	67%	59%
PC	100%	33%	41%