

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-039-22917
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator XTO Energy Inc.		6. State Oil & Gas Lease No. RCVD MAR 12 '08
3. Address of Operator 382 CR 3100 Aztec, NM 87410		7. Lease Name or Unit Agreement Name: MKL OIL CONS. DIV. DIST. 3
4. Well Location Unit Letter J : 1500 feet from the SOUTH line and 1520 feet from the EAST line Section 5 Township 26N Range 7W NMPM County RIO ARriba		8. Well Number #16R
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6056'		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 _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input 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.

DHC 2833 AZ

XTO Energy requests an exception to NMOC rule 303-A to permit DHC of production from the Otero Chacra (82329) & the Blanco S. PC (72439). Proposed allocations are based on previous production & are calculated as follows:

Pictured Cliffs:	Gas: 77%	Water: 100%	Oil: 100%
Otero Chacra:	Gas: 23%	Water: 0%	Oil: 0%

Ownership in both pools is common; therefore, notification to owners was not necessary. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. An application for DHC was submitted to BLM on 3/10/08.

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 3/10/08  
Type or print name LORRI D. BINGHAM E-mail address: Lorri\_bingham@xtoenergy.com  
Telephone No. 505-333-3204

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE MAR 28 2008  
Conditions of Approval, if any: