Form C-103 Submit 3 Copies To Appropriate District State of New Mexico Office Energy, Minerals and Natural Resources May 27, 2004 District I WELL API NO. 1625 N French Dr , Hobbs, NM 87240 30-045-34274 District II OIL CONSERVATION DIVISION 1301 W Grand Ave , Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III FEE \square 1000 Rio Brazos Rd., Aztec, NM 87410 STATE Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 1220 S. St Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A PO PIPKIN DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well X Other 2. Name of Operator 9. OGRID Number XTO Energy Inc. 3. Address of Operator 10. Pool name or Wildcat 382 CR 3100 AZTEC, NM 87410 BASIN DAKOTA/BASIN MANCOS 4. Well Location 995 2010 feet from the_ feet from the SOUTH line and 28N Section Township Range **NMPM** County SAN JUAN 35 11W 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5912' 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: 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 ALTERING CASING PLUG AND ABANDON REMEDIAL WORK **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. . PLUG AND **ABANDONMENT** CASING TEST AND RCVD JUL 11'08 PULL OR ALTER CASING **MULTIPLE** COMPLETION **CEMENT JOB** X OTHER: DOWNHOLE COMMINGLE 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. proposes to downhole commingle production from the Basin Dakota (71599) and the Basin Mancos (97232) upon completion of drilling. Allocations are based upon a estimated average ultimate recovery per well of the 18 DK well & 19 GP wells in T28N-R11W & are calculated as follows: Basin Dakota: Water: 43% Oil: 34% Gas: 77% Basin Mancos: Water: 57% Oil: 66% Gas: 23% Ownership in this well is common and notification to owners was not necessary. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & protection of correlative rights. The BIM was notified of our intent to DHC on 7/10/08. DHC2914/12 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 belowgrade tank has been/will be constructed or closed according to MOCD guidelines _____, a general permit _____ or an (attached) alternative OCD-approved plan _____ TITLE REGULATORY COMPLIANCE TECH DATE SIGNATURE. E-mail address: lorri bingham@xtoenergy.com Type or print name LORRI D. BINGHAM Telephone No. 505-333-3100 Deputy Oil & Gas Inspector, For State Use Only

APPROVED BY

Conditions of Approval, if any:

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_DATE _ JUL 1 4 200A

District #3