

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  
June 19, 2008

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

WELL API NO. <b>30-045-34063</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: <b>Martinez Gas Com D</b>
8. Well Number <b>#1R</b>
9. OGRID Number <b>5380</b>
10. Pool name or Wildcat <b>Aztec PC/Otero CH</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>5558' Ground Elevation</b>

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 <b>XTO Energy Inc.</b>
3. Address of Operator <b>382 CR 3100, Aztec NM 87410</b>
4. Well Location Unit Letter <b>B</b> : <b>1140</b> feet from the <b>NORTH</b> line and <b>1580</b> feet from the <b>EAST</b> line Section <b>24</b> Township <b>29N</b> Range <b>10W</b> NMPM County <b>SAN JUAN</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>5558' Ground Elevation</b>

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 COMPL ☐  
DOWNHOLE COMMINGLE ☐

OTHER: Add Chacra ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/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** would like to add the Otero Chacra <sup>Pool</sup> ~~for addition~~ to this well. Please see attached C102 and revised drilling plan.

RCVD SEP 22 '08  
OIL CONS. DIV.  
DIST. 3

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kyla Vaughan TITLE Regulatory Compl. DATE 09/18/08  
Type or print name Kyla Vaughan E-mail address: \_\_\_\_\_ PHONE 333-3159

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE SEP 26 2008  
Conditions of Approval (if any): [Signature]

DISTRICT I  
1625 N. Fench Dr., Hobbs, N.M. 88240

DISTRICT II  
1301 W. Grand Avenue, Artesia, N.M. 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
1220 South St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87504-2088

Form C-102

Revised October 12, 2005

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

RCVD SEP 23 '08  
AMENDED REPORT

OIL CONS. DIV.

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-34063	<sup>2</sup> Pool Code 82329	<sup>3</sup> Pool Name OTERO CHACRA	DIST. 3
<sup>4</sup> Property Code 36139	<sup>5</sup> Property Name MARTINEZ GAS COM "D"		<sup>6</sup> Well Number 1R
<sup>7</sup> OCRID No. 5380	<sup>8</sup> Operator Name XTO ENERGY INC.		<sup>9</sup> Elevation 5558'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	24	29-N	10-W		1140	NORTH	1580	EAST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres NE 1/4 160		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	QTR. CORNER FD 3 1/4" BC B.L.M. 1967	S 89-27-03 W 2716.3' (M)	SEC. CORNER FD 3 1/4" BC B.L.M. 1967	17
LAT: 36°42'54.6" N. (NAD 27) LONG: 107°49'54.4" W. (NAD 27)				OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Kyla Vaughan 9/18/08 Signature Date Kyla Vaughan Printed Name
24				
QTR. CORNER FD. STONES & STEEL POST				18
				SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  MARCH Date of Survey Signature and Seal of Surveyor JOHN A. WIRONICH NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 14831 Certificate Number

# XTO ENERGY INC.

Martinez Gas Com D #1R

APD Data

September 19, 2008

Location: 1140' FNL x 1580' FEL Sec 24, T29N, R10W County: San Juan State: New Mexico

GREATEST PROJECTED TD: 3150'  
APPROX GR ELEV: 5558'

OBJECTIVE: Pictured Cliffs & Otero Chacra  
Est KB ELEV: 5564' (12' AGL)

## 1. MUD PROGRAM:

INTERVAL	0' to 900'	900' to 2500'	2500' to 3150'
HOLE SIZE	12.25"	8.75"	8.75"
MUD TYPE	FW/Spud Mud	FW/Polymer	LSND / Gel Chemical
WEIGHT	8.6-9.0	8.4-8.8	8.6- 9.20
VISCOSITY	28-32	28-32	45-60
WATER LOSS	NC	NC	8-10

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes.

## 2. CASING PROGRAM:

Surface Casing: 8.625" casing to be set at  $\pm 900'$  in a 12-1/4" hole filled with 9.20 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-900'	900'	24.0#	J-55	ST&C	1370	2950	244	8.097	7.972	3.180	6.85	11.30

Production Casing: 5.5" casing to be set at TD ( $\pm 3150'$ ) in 8.75" hole filled with 9.20 ppg mud.

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-3150	3150'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	2.68	3.19	4.14

Remarks: All Casing strings will be centralized in accordance with Onshore Order #2 and NTL FRA-90-1.

## 3. WELLHEAD:

- Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 8-5/8" 8rnd thread on bottom and 11-3/4" 8rnd thread on top.
- Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 2,000 psig WP (4,000 psig test), 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

**4. CEMENT PROGRAM (Slurry design may change slightly, but the plan is to circulate cement to surface on both casing strings):**

A. Surface: 8.625", 24.0#, J-55, ST&C casing to be set at  $\pm 900'$  in 12-1/4" hole.

534 sx of Type III cement (or equivalent) typically containing accelerator and LCM, mixed at 14.5 ppg, 1.39 ft<sup>3</sup>/sk, & 6.70 gal wtr/sk.

*Total slurry volume is 743 ft<sup>3</sup>, 100% excess of calculated annular volume to 900'.*

B. Production: 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at  $\pm 3150'$  in 8.75" hole.

LEAD:

$\pm 478$  sx of Premium Lite HS (Type III/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 12.5 ppg, 2.01 ft<sup>3</sup>/sk, 10.55 gal wtr/sx.

TAIL:

100 sx Type III or equivalent cement with bonding additive, LCM, dispersant, & fluid loss mixed at 14.2 ppg, 1.54 cuft/sx, 8.00 gal/sx.

*Total estimated slurry volume for the 5-1/2" production casing is 1114 ft<sup>3</sup>.*

*Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 40%. It will be attempted to circulate cement to the surface.*

**5. LOGGING PROGRAM:**

A. Mud Logger: None.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (3150') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (3150') to the bottom of the surface csg.

6. **FORMATION TOPS:**

Est. KB Elevation: 5564'

FORMATION	Sub-Sea	MD
Ojo Alamo SS	4767	803
Kirtland Shale	4632	938
Farmington SS		
Fruitland Formation	4126	1444
Lower Fruitland Coal		1945
Pictured Cliffs SS	3600	1970
Lewis Shale	3435	2135
Chacra SS	3643	2927
<b>TD</b>	<b>2420</b>	<b>3150</b>

\* *Primary Objective*

\*\* *Secondary Objective*

\*\*\*\* Maximum anticipated BHP should be <2,000 psig ( <0.30 psi/ft) \*\*\*\*\*

7. **COMPANY PERSONNEL:**

Name	Title	Office Phone	Home Phone
Justin Niederhofer	Drilling Engineer	505-333-3199	505-320-0158
Jerry Lacy	Drilling Superintendent	505-333-3177	505-320-6543
John Klutsch	Project Geologist	817-885-2800	--

JDN  
9/19/08