

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. 30-045-24268
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMSF-078895
7. Lease Name or Unit Agreement Name: MUDGE A
8. Well Number #11
9. OGRID Number 5380
10. Pool name or Wildcat WEST KUTZ PC/BASIN FC
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6,174'

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 XTO Energy Inc.
3. Address of Operator 382 CR 3100 AZTEC, NM 87410
4. Well Location Unit Letter P 850 feet from the SOUTH line and 850 feet from the EAST line Section 18 Township 27N Range 11W NMPM County SAN JUAN
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6,174'

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: **DOWNHOLE COMMINGLE** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐ **RCVD OCT 23 '09**
OIL CONS. DIV.
DIST. 3 ☐

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.

R-11363
XTO requests an exception to NMOC rule 303A to permit DHC of prod from the **KUTZ, WEST** **Basin** **PC & FC** pools in the Mudge A #11. XTO proposes to DHC the two pools upon approval of this application. Proposed allocations are based on production & recommended as follows:

PC	GAS: 18%	WATER: 33%	OIL: 33%
FC	GAS: 82%	WATER: 67%	OIL: 67%

Ownership is diverse & owners were notified by CRR on 10/02/09. 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 10/22/09.

Spud Date:

Rig Release Date:

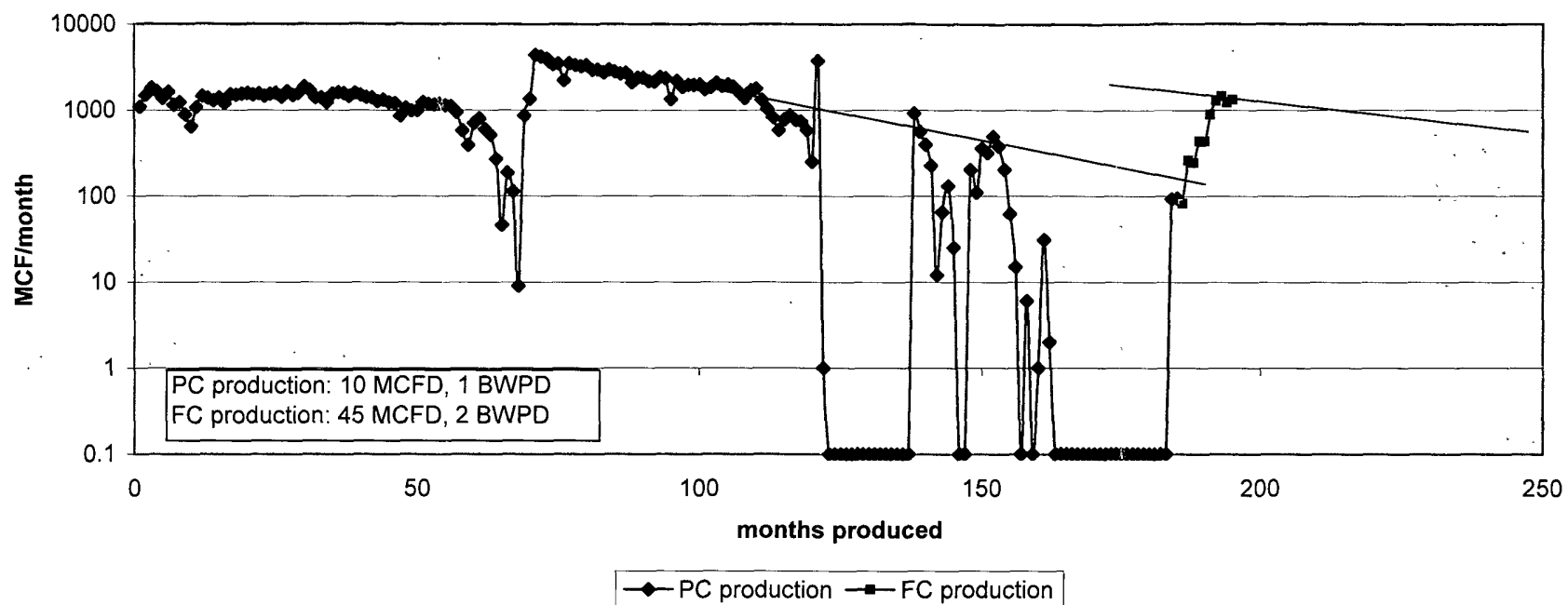
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Wanett McCauley TITLE REGULATORY CLERK DATE 10/22/2009
Type or print name WANETT MCCAULEY E-mail address: wanett_mccauley@xtoenergy.com PHONE 505-333-3630

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE OCT 27 2009
Conditions of Approval (if any):

Mudge A 11



Mudge A #11 Allocations						
	MCFD	%	BWPD	%	BOPD	%
Pictured Cliffs	10	18%	1	33%	0	33%
Fruitland Coal	45	82%	2	67%	0	67%