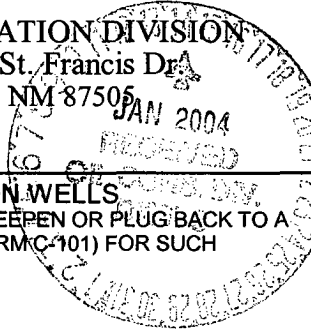


Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised May 08, 2003

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



| |
|---|
| WELL API NO. 30-045-32046 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name: State Gas Com BI |
| 8. Well Number 2 |
| 9. OGRID Number 167067 |
| 10. Pool name or Wildcat Basin Dakota |

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 Gas Well Other

2. Name of Operator
 XTO Energy Inc.

3. Address of Operator
 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

4. Well Location
 Unit Letter C : 875' feet from the North line and 1,445' feet from the West line
 Section 16 Township 30N Range 13W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 5,449' GL

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

| | | | |
|--|--|--|---|
| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPLETION <input type="checkbox"/> | CASING TEST AND CEMENT JOB <input type="checkbox"/> | |
| OTHER: <input type="checkbox"/> | | OTHER: TD & Set Production Csg <input checked="" 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.

Reached driller's TD of 6,366' KB @ 1:30 p.m. 01/03/04. PU & TIH w/152 jts 4-1/2", 10.5#, J-55, ST&C csg to 6,365.65' KB, FC @ 6,322', DV @ 3,694'. Cmt'd csg as follows (1st stage): 380 sx Premium Lite HS w/2% KCl, 1/4 #/sx celloflake, 0.5% FL-52, 0.2% CD -32 & 2% phenoseal (mixed @ 12.5 ppg & 2.01 cuft/sx) followed by 150 sx Type III cmt w/5% A-10, 0.3% CD-32, 0.2% FL-52, 2% Phenoseal & 1/4 #/sx celloflake (mixed @ 14.2 ppg & 1.54 cuft/sx). Op DV collar & circ 20 bbls cmt to surf. Cmt'd 2nd stage as follows: 600 sx Type III w/8% gel, 1/4 #/sx celloflake & 2% phenoseal (mixed @ 11.4 ppg & 3.03 cuft/sx) followed by 100 sx Type III Neat cmt (mixed @ 14.5 ppg & 1.39 cuft/sx). Closed DV collar. DV held OK. Circ 125 bbls cmt to surf. Released Aztec WS drilling rig #545 @ 11:00 a.m. (01/04/04).

PRODUCTION CASING WILL BE PRESSURE TESTED @ COMPLETION

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

SIGNATURE Jeffrey W. Patton TITLE Drilling Engineer DATE 01/05/04

Type or print name Jeffrey W. Patton Telephone No. 505-324-1090

(This space for State use)

APPROVED BY Charles H. [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE JAN 14 2004

Conditions of approval, if any: