

Submit 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

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.)		WELL API NO. 30-045-32068
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. NMSF-078872A
3. Address of Operator 382 CR 3100 AZTEC, NM 87410		7. Lease Name or Unit Agreement Name: BOLACK 16
4. Well Location Unit Letter <u>P</u> : <u>660</u> feet from the <u>SOUTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>16</u> Township <u>27N</u> Range <u>11W</u> NMPM <u>NMPM</u> County <u>SAN JUAN</u>		8. Well Number #3
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6304' GR		9. OGRID Number 5380
		10. Pool name or Wildcat BASIN FC/WEST KUTZ PICTURED CLIFFS

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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐ RCVD MAR 7'11
OIL CONS. DIV.

OTHER: 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.

XTO Energy Inc. requests permission to DHC this well per OCD Rule 19.15.12.11 C #2 in the Basin FC (71629, 1922'-1960') & the W. Kutz PC (79680, 1990'-1998') upon completion of the PC. Pool combinations are pre-approved per Order R-11363. Allocations are based on production & a 9-section EUR (please see attached spreadsheets) & are calculated as follows:

Oil: FC 0% PC 100% Gas FC 5% PC 95% Water: FC 0% PC 100%

Ownership is diverse & notification was made without protest by CRR on 2/11/2011. DHC will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights. The BLM was notified of our intent to DHC via sundry Form 3160-5 on 3/04/2011.

Spud Date:

04C3554 AZ

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 COMPL TECHNICIAN DATE 3/04/2011
Type or print name WANETT MCCAULEY E-mail address: wanett.mccauley@xtoenergy.com PHONE (505) 333-3630

For State Use Only

APPROVED BY Charles SUPERVISOR DISTRICT # 3 DATE MAR 16 2011

Conditions of Approval (if any):

A

Monthly Production Rates

	OIL	GAS	WATER
Pictured Cliffs	0	2100	38
Fruitland Coal	0	121	0
Total	0	2221	38

Average initial production post 1998 completions in 9 section area NW/4 of township 27N-11W
Most Recent Active Production (below)

Percent Production			
	OIL	GAS	WATER
Pictured Cliffs	100%	95%	100%
Fruitland Coal	0%	5%	0%
Total	100%	100%	100%

Fruitland Coal Production

	OIL	GAS	WATER
2/28/2009	0	159	0
3/31/2009	0	295	0
4/30/2009	0	274	0
5/31/2009	0	0	0
6/30/2009	0	0	0
7/31/2009	0	0	0
Average	0	121	0

API	DB ID	LEASE NAME	NO.	RESERVOIR	SEC	LOCATION	FIELD	OPERATOR	1st PROD	FBMO
30045068310000	516636	MUDGE A	5	PICTURED CLIFFS	6	27 N 11 W	KUTZ W	XTO ENERGY	19510831	
30045065020000	516121	SCHWERDTFEGER	12	PICTURED CLIFFS	16	27 N 11 W	KUTZ W	XTO ENERGY	19520229	
30045065810000	516129	SCHWERDTFEGER	9	PICTURED CLIFFS	17	27 N 11 W	KUTZ W	XTO ENERGY	19520229	
30045067390000	516020	BOLACK ALICE	7	PICTURED CLIFFS	9	27 N 11 W	KUTZ W	XTO ENERGY	19520331	
								Average - Older wells neve		
30045066500000	516635	MUDGE A	3	PICTURED CLIFFS	7	27 N 11 W	KUTZ W	XTO ENERGY	19500930	4/1/199
30045067410000	516637	MUDGE A	6	PICTURED CLIFFS	7	27 N 11 W	KUTZ W	XTO ENERGY	19520430	8/1/199
30045065710000	516634	MUDGE A	2	PICTURED CLIFFS	18	27 N 11 W	KUTZ W	XTO ENERGY	19500930	9/1/199
30045066530000	516629	MUDGE A	1	PICTURED CLIFFS	7	27 N 11 W	KUTZ W	XTO ENERGY	19500930	4/1/199
30045066630000	516021	BOLACK ALICE	8	PICTURED CLIFFS	9	27 N 11 W	KUTZ W	XTO ENERGY	19520229	11/1/199
30045065840000	516013	BOLACK ALICE	11	PICTURED CLIFFS	16	27 N 11 W	KUTZ W	XTO ENERGY	19510831	7/1/200
30045065830000	516119	SCHWERDTFEGER	10	PICTURED CLIFFS	16	27 N 11 W	KUTZ W	XTO ENERGY	19520131	9/30/200
30045065030000	516120	SCHWERDTFEGER	11	PICTURED CLIFFS	17	27 N 11 W	KUTZ W	XTO ENERGY	19520229	9/30/200
30045066610000	516018	BOLACK ALICE	5	PICTURED CLIFFS	9	27 N 11 W	KUTZ W	XTO ENERGY	19510731	10/31/200
30045069230000	516122	SCHWERDTFEGER	13	PICTURED CLIFFS	5	27 N 11 W	KUTZ W	XTO ENERGY	19520131	6/30/200
30045068270000	516123	SCHWERDTFEGER	14	PICTURED CLIFFS	5	27 N 11 W	KUTZ W	XTO ENERGY	19520131	6/30/200
30045067460000	516128	SCHWERDTFEGER	7	PICTURED CLIFFS	8	27 N 11 W	KUTZ W	XTO ENERGY	19520131	7/31/200
30045064980000	516016	BOLACK ALICE	14	PICTURED CLIFFS	16	27 N 11 W	KUTZ W	XTO ENERGY	19520131	12/31/200
30045067450000	516019	BOLACK ALICE	6	PICTURED CLIFFS	9	27 N 11 W	KUTZ W	XTO ENERGY	19520131	7/31/200
								Average - Wells that have bee		
30045242680000	516631	MUDGE A	11	PICTURED CLIFFS	18	27 N 11 W	KUTZ W	XTO ENERGY	19830331	
30045283970000	516479	FEDERAL COAL 18	24	PICTURED CLIFFS	18	27 N 11 W	KUTZ W	XTO ENERGY	19961231	
30045300390000	516639	MUDGE A	7R	PICTURED CLIFFS	6	27 N 11 W	KUTZ W	XTO ENERGY	20010331	
30045305190000	521743	MUDGE A	8R	PICTURED CLIFFS	6	27 N 11 W	KUTZ W	XTO ENERGY	20050228	
								Average - P		