

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

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. 30-045-30754
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.
3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401		7. Lease Name or Unit Agreement Name: LITTLE STINKER
4. Well Location Unit Letter H : 1975 feet from the NORTH line and 660 feet from the EAST line Section 11 Township 30N Range 12W NMPM SAN JUAN County NM		8. Well No. #1M
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5833' GL		9. Pool name or Wildcat BASIN DAKOTA / BLANCO MESAVERDE

11. 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: REMOVE CIBP & DHC <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. 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 recompilation.

XTO Energy Inc. requests an exception to Rule 303A to remove the CIBP @ 5,300' and downhole commingle production from the Blanco Mesaverde (72319) and the Basin Dakota (71599) pools. These pools are included in the NMOC pre-approved pool combination for downhole commingling. Attached is the required information for Rule 303C(3) (b).

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

SIGNATURE Thomas DeLong TITLE OPERATIONS ENGINEER DATE 6/11/02

Type or print name Thomas DELONG Telephone No. 505-324-1090

(This space for State use)

APPROVED BY DAVIDEN TITLE DEPUTY DATE 6/12/02
Conditions of approval, if any:

Attachment

Little Stinker #1M
Request to DHC
Blanco Mesaverde & Basin Dakota Pools

Additional information per Rule 303C(3)(b):

- (i) Division Order that established the pre-approved pool combination is R-11363.
- (ii) Blanco Mesaverde (72319) & Basin Dakota (71599) Pools
- (iii) Blanco Mesaverde perforated interval: 4,481' – 4,798'
Basin Dakota interval: 6,658'-6,870'
- (iv) It is proposed to allocated production on a percentage basis. See attached for allocation data.
- (v) Downhole commingling will not reduce the value of the total remaining production. A longer productive life is expected due to a lower economic production limit for each pool resulting from combined production.
- (vi) XTO Energy, Inc has sent notice of the proposed downhole commingling to all working and royalty interest owners by certified mail (return receipt). It has been greater than 20 days since the notices were mailed and there have been no objections to the commingling.
- (vii) XTO Energy, Inc has submitted a Sundry Notice Form 3160-5 concerning this proposal to the Bureau of Land Management.

Little Stinker #1M
Section 11, T30N, R12W
Mesaverde & Dakota Allocation Table

	<u>BOPD</u>	<u>BWPD</u>	<u>MCFPD</u>
Dakota	1.5	33.0	236.0
Mesaverde	2.0	1.0	453.0
Total	3.5	34.0	689.0
Dakota	42.9%	97.1%	34.3%
Mesaverde	57.1%	2.9%	65.7%
Total	100.0%	100.0%	100.0%

The gas rates used in the above allocation calculation is a 7 day average after each formation was allowed to produce for 4 weeks from first delivery of gas sales.