District.1
1625 N. French Dr., Hobbs, NM 88240
District.II
1301 W. Grand Avenue, Artesia, NM 88210
District.III
1000 Rio Brazos Road, Aztec, NM 87410
District.IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Printed Name/Title:

State of New Mexico Energy, Minerals and Natural Resources

Form C-144 June 1, 2004

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

For drillia appropriation For down confice.

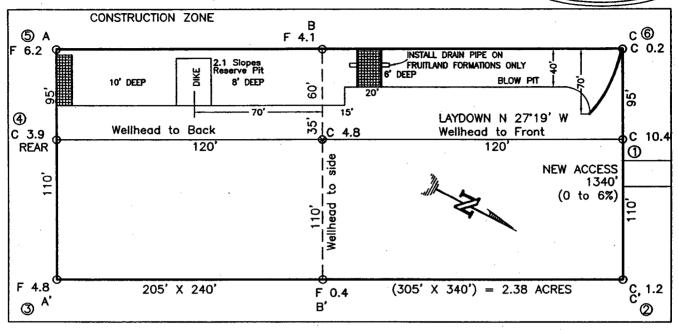
For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes X No. 1 Type of action: Registration of a pit or below-grade tank Slosure of a pit or below-grade tank X e-mail address: Regulatory@xtoenergy.com Operator: XTO Energy Inc. Telephone: Address: 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401 API #: 30-045-32421 U/L or Qtr/Qtr_NESW Sec_03_T 30N R 12W Facility or well name: L.C. KELLY #18 SAN JUAN Latitude 36.841111 Longitude 108.087500 NAD: 1927 🔀 1983 Surface Owner Federal State Private 🗌 Indian County: Pit Below-grade tank Volume: _____bbl Type of fluid: __ Type: Drilling Production Disposal Workover X Emergency Construction material: ___ Double-walled, with leak detection? Yes If not, explain why not. Lined X Unlimited Liner type: Synthetic X Thickness 12 mil Clay Pit Volume _____ bbl (20 points) Less than 50 feet Depth to ground water (vertical distance from bottom of pit to seasonal high (10 points) 50 feet or more, but less than 100 feet water elevation of ground water.) 100 feet or more (0 points) X Wellhead protection area. (Less than 200 feet from a private domestic Yes (20 points) (0 points) water source, or less than 1000 feet from all other water sources.) No х Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more (0 points) X Ranking Score (Total Points) 0 If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite X offsite If offsite, name of facility _______(3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No Yes If yes, show depth below ground surface______ft, and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations. Additional Comments: I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that, the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X, a general permit , or an (attached) alternative OCD-approved plan Date: 3/16/05 Printed Name/Title: HOLLY C. PERKINS Signature: REGULATORY COMPLIANCE TECH Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations. Approval: MAR 1 8 2005

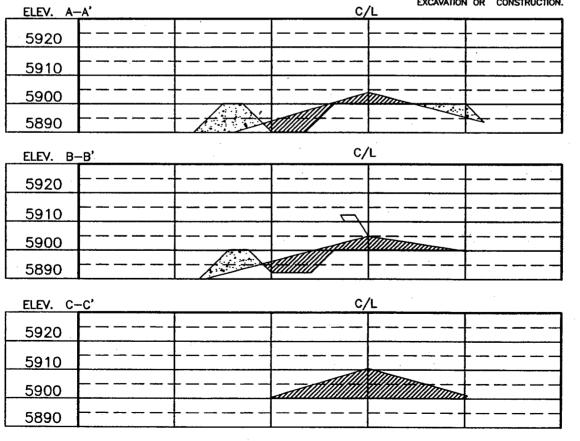
XTO ENERGY INC.
L.C. KELLY No. 18, 2545 FSL 1975 FWL
SECTION 3, T30N, R12W, N.M.P.M., SAN JUAN COUNTY, N. M.
GROUND ELEVATION: 5905, DATE: FEBRUARY 23, 2004

LAT. = 36°50'28" N LONG. = 108°05'15" W NAD 27



RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE). BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.



NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

| PATE |