

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

XTO Energy Inc.

3a. Address

2700 Farmington Ave., Bldg. K, Ste 1 Farmington,

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

735 FSL & 1050' FWL

M Sec 5, T30N-T12W

3b. Phone No. (include area code)

505-566-7925

5. Lease Serial No.

NMSF081239

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

LC Kelly #11

9. API Well No.

30-045-31114

10. Field and Pool, or Exploratory Area

Aztec Pictured Cliffs/
Basin Fruitland Coal

11. County or Parish, State

San Juan

NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other DownholeCommingling

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

XTO Energy Inc. requests approval for an exception to Rule 303C to permit the downhole commingling of production from the Aztec Pictured Cliffs & Basin Fruitland Coal in this well.

XTO Energy Inc. proposes to use the DECLINE RATE allocation based on the following information. The Pictured Cliffs will be allocated a starting rate of 23 MCPPD and a decline rate of 10% will be applied. The Fruitland Coal will be allocated the remaining volume of gas production from the LC Kelly #11. The PC will be allocated 100% of the oil and 86% of the water based on historical production

Both pools are included in the New Mexico Oil Conservation Division pre-approved pool combinations for downhole commingling in the San Juan Basin. The NMOC has been notified of our intent by submission of form C103. Working interest, net royalty interest and overriding royalty interest owners have been notified by certified, return receipt mail on April 12th, 2005. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves & violation of correlative rights.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

D/C 1856 AZ

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Melissa M. Osborne

Title

Regulatory Compliance Tech

Date

April 12th, 2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Petr. Eng

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOC

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31114	² Pool Code 71280	³ Pool Name AZTEL PICTURED CLIFFS
⁴ Property Code 022620	⁵ Property Name L.C. KELLY	⁶ Well Number 11
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5918'

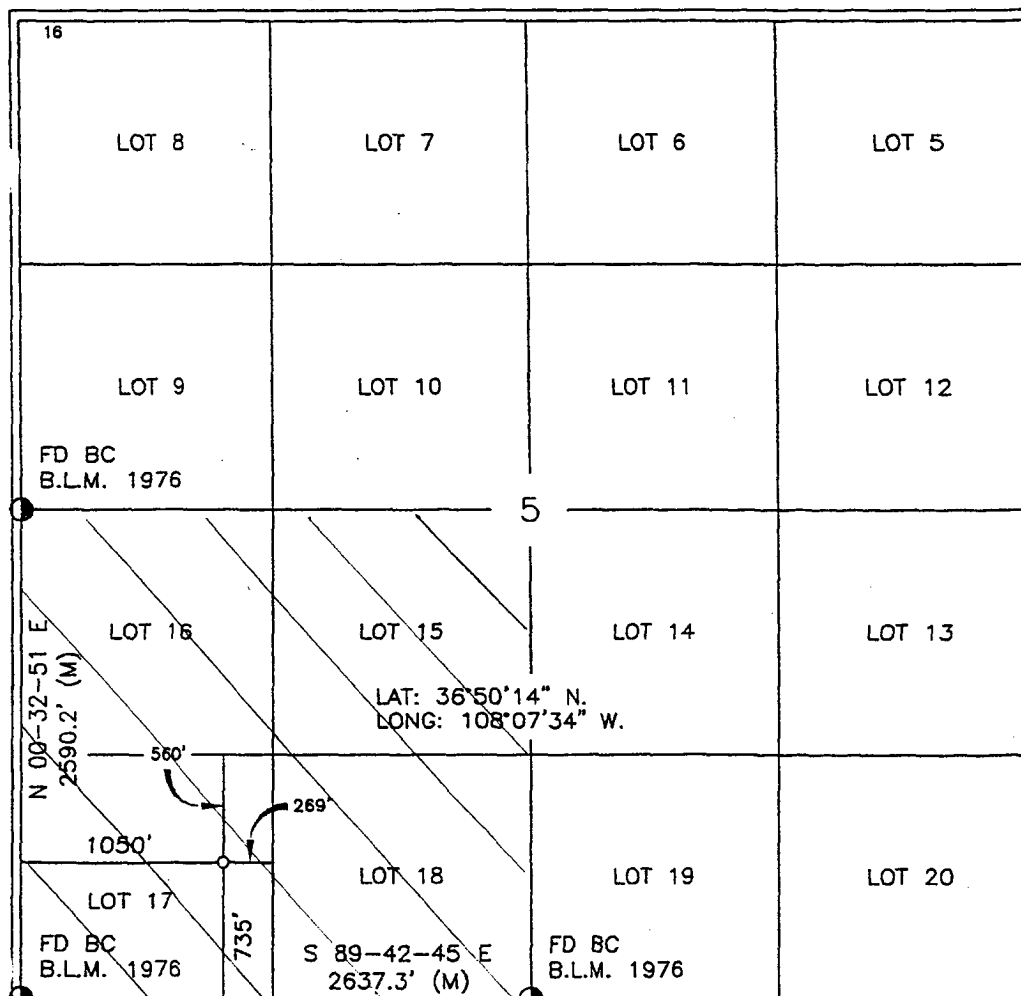
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	5	30-N	12-W		735'	SOUTH	1050'	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 148.36 SW/4			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

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

Signature

JEFFREY W. PATTON

Printed Name

DRILLING ENGINEER

Title

5-23-02

Date

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat
was plotted from field notes of actual surveys made by
me or under my supervision and that the same is true
and correct to the best of my belief

Date of Survey

Signature and Seal of Professional Surveyor

Certificate Number

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1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
811 South First, Artesia, N.M. 88210

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Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31114	² Pool Code 71629	³ Pool Name BASIN FRUITLAND COAL
⁴ Property Code 0221020	⁵ Property Name L.C. KELLY	⁶ Well Number 11
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5918'

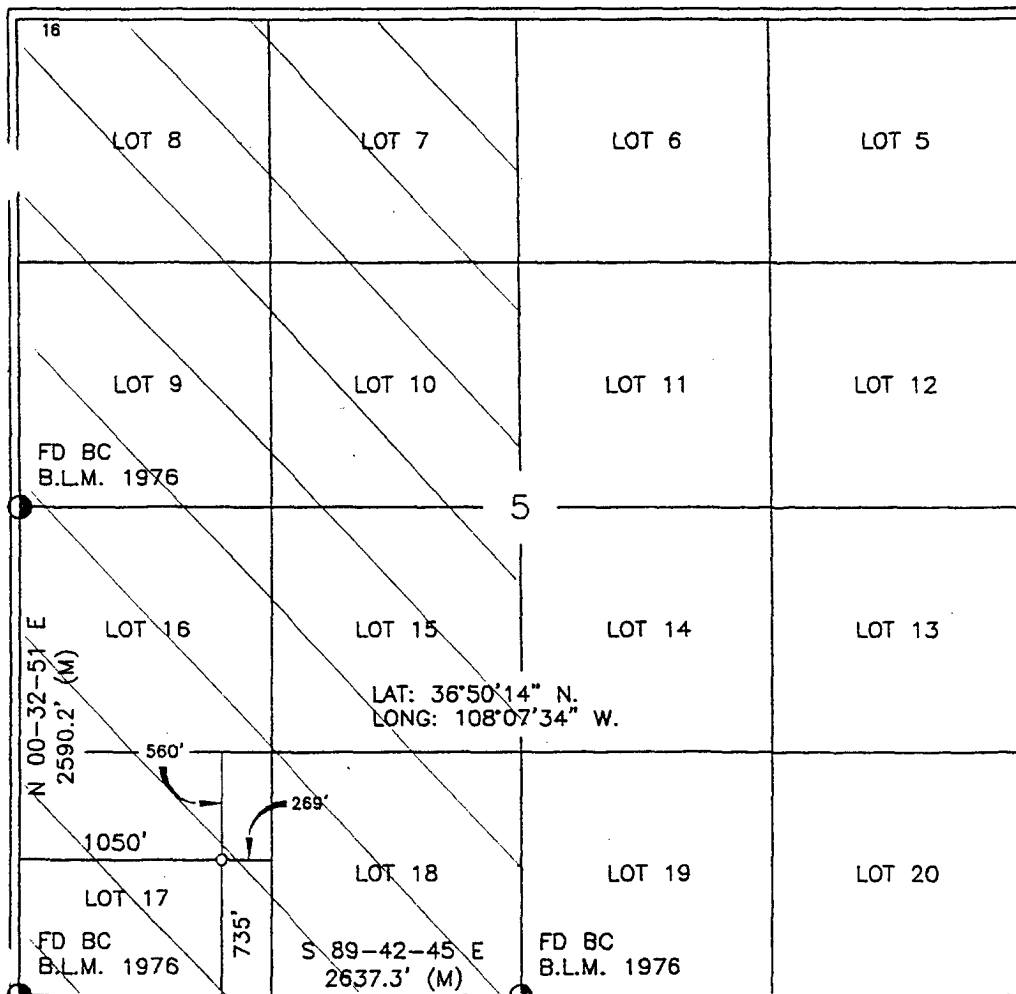
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M	5	30-N	12-W		735'	SOUTH	1050'	WEST	SAN JUAN

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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 285.92 W/2		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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Printed Name

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and correct to the best of my belief

Date of Survey

Signature and Seal of Professional Surveyor

8894

Certificate Number