

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM 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.

2006 JUL 10 PM 12 30

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,

3b. Phone No. (include area code)

505-324-1090

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

815' FSL & 2515' FWL SEC 3-T30N-R12W

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 #20

9. API Well No.

30-045-33441

10. Field and Pool, or Exploratory Area

BASIN DAKOTA

BLANCO MESAVERDE

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 DOWNHOLE

COMMINGLE

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. proposes to downhole commingle the Basin Dakota (71599) and Blanco Mesaverde (72319) production upon completion of this new drill. Attached is supporting documentation of allocations & plats for this well. Based on an average 9-section EUR, XTO proposes allocations of:

Basin Dakota: Water: 94.8% Gas: 30.4% Oil: 57.6%  
Blanco Mesaverde: Water: 5.2% Gas: 69.6% Oil: 42.4%

Ownership is common between pools; therefore, no notice was necessary of owners. The DHC will offer an economical method of production & protect against reservoir damage, waste of reserves & protect correlative rights.

The NMOC was notified of our intent via a C103 filed on 7/7/06.

NSL-5418  
AZT-2342

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

LORRI D. BINGHAM

Title

REGULATORY COMPLIANCE TECH

Date 7/7/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title

Geo

Date

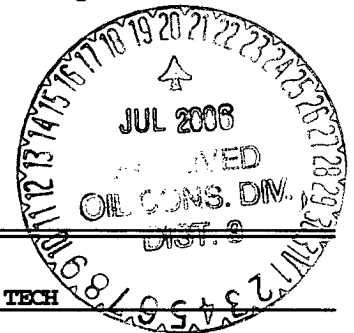
7-18-06

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.

Office

FFO

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 IV  
1220 South St. Francis Dr., Santa Fe, NM 87506

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Fee Lease -- 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-33441		*Pool Code 71599	*Pool Name Basin Dakota
*Property Code	*Property Name L. C. KELLY		*Well Number 20
*DGRD No. 1070607	*Operator Name XTO ENERGY INC.		*Elevation 5812'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot idn	Feet from the	North/South line	Feet from the	East/West line	County
N	3	30-N	12-W	18	815	SOUTH	2515	WEST	SAN JUAN

## "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
<sup>12</sup> Dedicated Acres 10/2 318.41			<sup>13</sup> Joint or Infit		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

<p>16</p> <p>LOT 8</p> <p>LOT 9</p> <p>QTR. CORNER FD 3 1/4" BC BLM 1976</p> <p>N 01°-19'-44" W 2564.1' (M)</p> <p>LOT 16</p> <p>SEC. CORNER FD 3 1/4" BC BLM 1975</p>	<p>LOT 7</p> <p>LOT 10</p> <p>LOT 15</p> <p>LOT 17</p> <p>S 87°-03'-18" E 2701.6' (M)</p>	<p>LOT 6</p> <p>LOT 11</p> <p>LOT 14</p> <p>LAT: 36°50'10.3" N. (NAD 27) LONG: 108°05'07.6" W. (NAD 27)</p> <p>LOT 19</p> <p>QTR. CORNER FD 3 1/4" BC BLM 1975</p>	<p>LOT 5</p> <p>LOT 12</p> <p>LOT 13</p> <p>LOT 20</p>
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### 17 OPERATOR CERTIFICATION

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

Heedy K. Small  
 Signature  
Heedy K. Small  
 Printed Name  
Drilling Assistant  
 Title  
5/18/05  
 Date

### 18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plot 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.

MARCH 14, 2005  
 Date of Survey  
Heedy K. Small  
 Signature  
 Registered Professional Surveyor  
 14891  
 4-31  
 Certificate Number

DISTRICT 1  
1825 N. French Dr., Hobbs, N.M. 88240

DISTRICT II  
1301 W. Grand Ave., Artesia, N.M. 88210

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

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-33441		<sup>2</sup> Pool Code 72319	<sup>3</sup> Pool Name Blanco Mesaverde
<sup>4</sup> Property Code	<sup>5</sup> Property Name L. C. KELLY		<sup>6</sup> Well Number 20
<sup>7</sup> OGSD No. 1070/87	<sup>8</sup> Operator Name XTO ENERGY INC.		<sup>9</sup> Elevation 5812'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lat lch	Feet from the	North/South line	Feet from the	East/West line	County
N	3	30-N	12-W	18	815	SOUTH	2515	WEST	SAN JUAN

## "Bottom Hole Location If Different From Surface

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<sup>22</sup> Dedicated Acres 12/2 318.41			<sup>23</sup> Joint or Infit		<sup>24</sup> Consolidation Code		<sup>25</sup> Order No.		

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**17 OPERATOR CERTIFICATION**

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

Signature: Kelly K Small

Printed Name: Kelly K Small

Title: Drilling Assistant

Date: 5/18/05

**18 SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plot 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.

MADE BY: NEW MEXICO

Date: 5/18/05

Signature: [Signature] Surveyor

REGISTERED PROFESSIONAL SURVEYOR

Certificate Number: 14831