

Submit 3 Copies To Appropriate District
Office:
District I
1625 N. French Dr., Hobbs, NM 88240
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
May 27, 2004

OIL CONSERVATION DIVISION

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

WELL API NO. 30-045-32421
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMSF081239
7. Lease Name or Unit Agreement Name LC KELLY
8. Well Number #18
9. OGRID Number 167067
10. Pool name or Wildcat BASIN DAKOTA & BLANCO MESAVERDE

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5905' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: DOWNHOLE COMMINGLE

X

OTHER:

☐

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 approval for an exception to Rule 303-C to permit the downhole commingling of production from the Basin Dakota and the Blanco Mesaverde pools in the LC Kelly #18. XTO is currently drilling this well and will downhole commingle these pools upon completion of the well. Based on individual pool tests in the LC Kelly #5M offset well, allocations for each pool are proposed as follows:

Basin Dakota (71599)	58% Oil	95% Water	30% Gas
Blanco Mesaverde (72319)	42% Oil	5% Water	70% Gas

Both of these pools are included in the New Mexico Oil Conservation Division pre-approved pool combinations for downhole commingling in the San Juan Basin. Ownership in this well's pools is common; therefore no notification was done. The BLM has been notified of our intent to downhole commingle. Downhole commingling will offer an economic method of production while protecting against reservoir damage, waste of reserved, and violation of correlative rights.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Holly C. Perkins TITLE REGULATORY COMPLIANCE TECH DATE 11/8/04
Type or print name HOLLY C. PERKINS E-mail address: Holly_perkins@xtoenergy.com Telephone No. 505-324-1090

For State Use Only

APPROVED BY:

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. 02

DATE

3 2004