

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM-0 003380
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator XTO Energy Inc.		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 2700 Farmington Ave., Bldg K-1 Farmington, NM 87401	3b. Phone No. (include area code) (505) 324-1090	8. Lease Name and Well No. Florance D 19
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1980' FNL & 1900' FWL At proposed prod. zone Same		9. API Well No. 30-045- 32459
14. Distance in miles and direction from nearest town or post office* 13 air miles SE of Blanco, NM		10. Field and Pool, or Exploratory Blanco Pictured Cliffs South
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 3,300'		11. Sec., T., R., M., or Blk. and Survey or Area F20-27n-8w NMPM
16. No. of Acres in lease 2,400.96		12. County or Parish San Juan ✓
17. Spacing Unit dedicated to this well NW4 = 160 acres		13. State NM
18. Distance from proposed* location to nearest well, drilling, completed, applied for, on this lease, ft. 380**		20. BLM/BIA Bond No. on file BLM nation wide: 57 91 73
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,756' ungraded		22. Approximate date work will start* Upon Approval
23. Estimated duration 2 weeks		
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

Comments

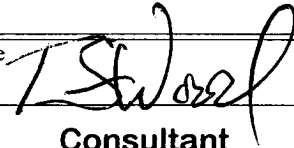
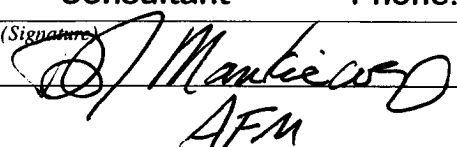
*XTO's Florance 62 F (Dakota/Chacra/Mesa Verde well)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.4 and appeal pursuant to 43 CFR 3165.4

APD/ROW (GulfTerra)

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

cc: BLM (& OCD), Patton

25. Signature 	Name (Printed/Typed) Brian Wood	Date 7-7-04
Title Consultant	Phone: 505 466-8120	FAX: 505 466-9682
Approved by (Signature) 	Name (Printed/Typed) AFM	Date 9-16-04
Title AFM	Office FFO	

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

NMOCD

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

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, 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 87504-2088

Form C-102
Revised June 10, 2003
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-32459		² Pool Code 72439	³ Pool Name BLANCO PICTURED CLIFFS SOUTH
⁴ Property Code 29105	⁵ Property Name FLORANCE D		⁶ Well Number 19
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.		⁹ Elevation 6756

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
F	20	27-N	8-W	.	1980	NORTH	1900	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

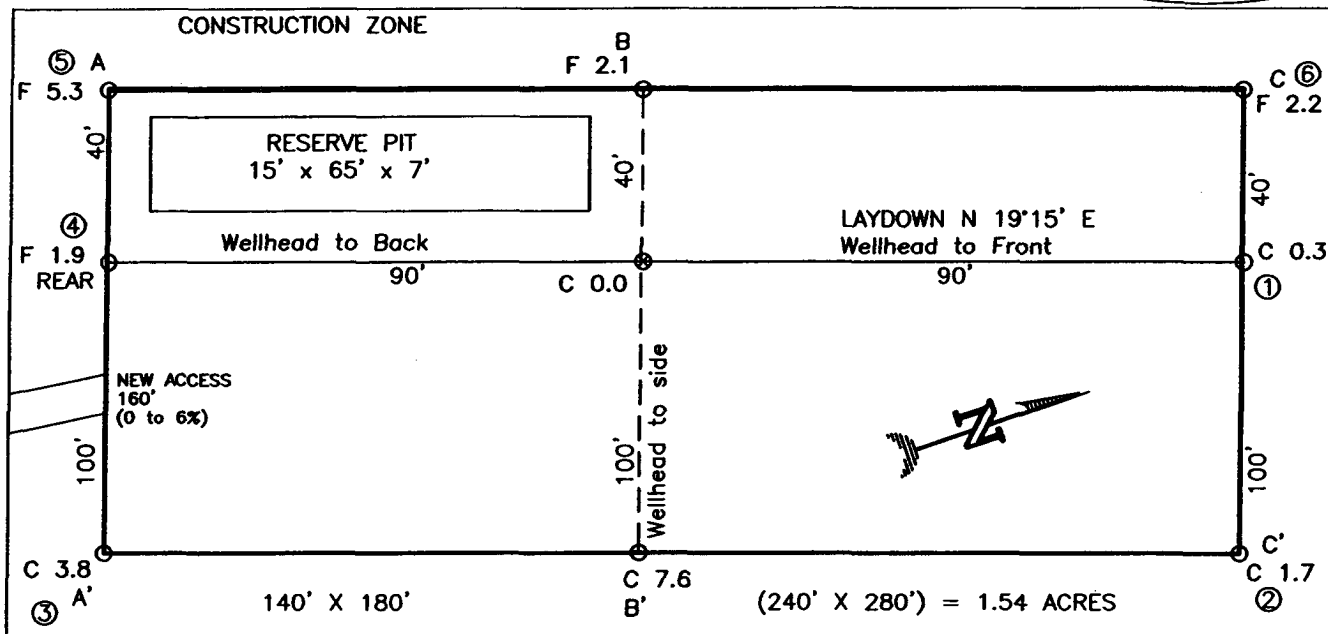
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160					¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.

16 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>SEC. CORNER FD 3 1/4" BC BLM 1955</p> <p>S 89-24-00 E 2582.8' (M)</p> <p>1980'</p> <p>1900'</p> <p>S 01°53'18" W 5302.5' (M)</p> <p>20</p> <p>WITNESS COR. FD 3 1/4" BC BLM 1955</p> <p>N 01-53-18 E 26.4'</p> <p>CALC'D CORNER</p>	<p>QTR. CORNER FD 3 1/4" BC BLM 1955</p> <p>LAT: 36°33'43" N. (NAD 27) LONG: 107°42'24" W. (NAD 27)</p> <p>SEP 2004</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Brian Wood</i></p> <p>Signature BRIAN WOOD</p> <p>Printed Name CONSULTANT</p> <p>Title JULY 7, 2004</p> <p>Date</p>
		<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>2004</p> <p>Signature and Seal of Professionally Registered Surveyor:</p> <p>JOHN ANTONIO RICH</p> <p>14831</p> <p>REGISTERED PROFESSIONAL SURVEYOR</p> <p>Certificate Number</p>

XTO ENERGY INC.
 FLORANCE D No. 19, 1980 FNL 1900 FWL
 SECTION 20, T27N, R8W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 6756, DATE: JANUARY 6, 2004

LAT: 36°33'43" N.
 LONG: 107°42'24" W.
 NAD 27



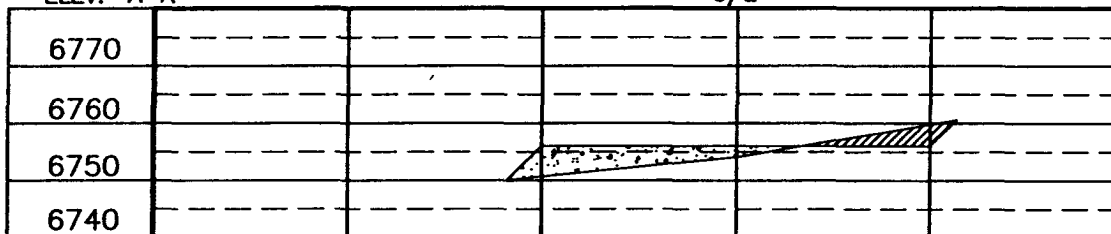
RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).

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.

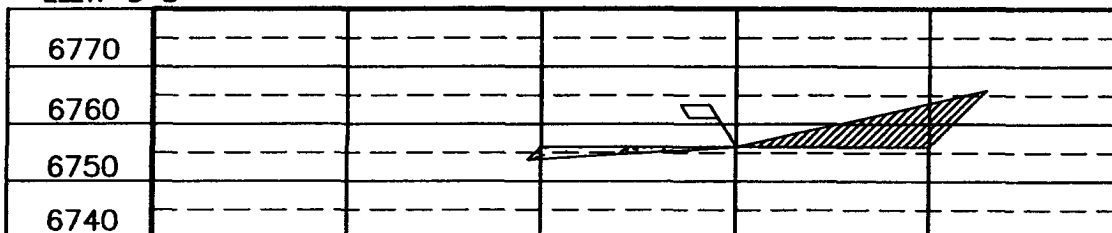
ELEV. A-A'

C/L



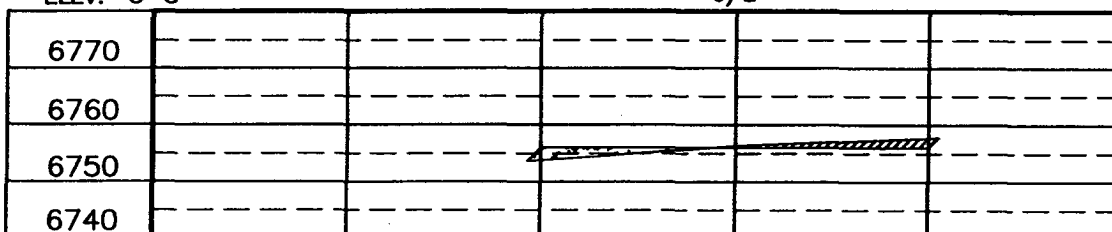
ELEV. B-B'

C/L



ELEV. C-C'

C/L



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.

REVISIONS:	DATE:	REMOVED BY:
Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15088 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO L.S. No. 14831		
DRAWN BY: A.G.	DATE: 03/31/04	ROWF: CR257

XTO Energy Inc.
Florance D 19
1980' FNL & 1900' FWL
Sec. 20, T. 27 N., R. 8 W.
San Juan County, New Mexico

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Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Sub Sea Elevati</u>
San Jose Ss	000'	10'	+6,756'
Nacimiento	906'	916'	+5,850'
Ojo Alamo Ss	2,006'	2,016'	+4,750'
Kirtland shale	2,081'	2,091'	+4,675'
Fruitland	2,556'	2,561'	+4,200'
Pictured Cliffs Ss	2,806'	2,816'	+3,950'
Lewis Shale	2,881'	2,891'	+3,875'
Total Depth (TD)*	3,075'	3,085'	+3,681'

* all elevations reflect the ungraded ground level of 6,756'

2. NOTABLE ZONES

<u>Gas & Oil Zones</u>	<u>Water Zones</u>	<u>Coal Zone</u>
Fruitland	San Jose	Fruitland
Pictured Cliffs	Ojo Alamo	
	Fruitland	

Water zones will be protected with casing, cement, and weighted mud. Fresh water found while drilling will be recorded. Oil or gas shows will be tested for commercial potential based on the geologist's recommendations.

3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP system to be used is not yet known. A typical 2,000 psi stack, manifold, and testing

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procedures are on Page 3.

4. CASING & CEMENT

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Age</u>	<u>Connection</u>	<u>GL Setting Dept</u>
12-1/4"	7"	20	K-55	New	S T & C	600'
7-7/8"	4-1/2"	10.5	K-55	New	S T & C	3,075'

Surface casing will be cemented to the surface with ≈ 200 cubic feet (≈ 170 sacks) Class B + 1/4 lb/sk cello-flake + 2% CaCl_2 . Yield = 1.18 cubic feet per sack. Weight = 15.2 pounds per gallon. Volume: $\geq 100\%$ excess. A guide shoe and insert float will be used. W. O. C. = 12 hours. Surface casing will be tested to 1,500 psi for 30 minutes.

Production casing will be cemented to the surface. Total cement: $> 1,022$ cubic feet. Volumes are calculated at $> 40\%$ excess. If cement does not circulate to surface, then a temperature survey will be run to determine the actual cement top as needed. W. O. C. = 12 hours. Test to 2,000 psi.

Lead cement will be ≈ 375 sacks Class B light cement (65% cement/35% Poz with 6% gel) with 5 #/sack gilsonite + 1/4 #/sack Flocele. Yield = 1.99 cu ft/sk. Weight = 12.4 #/gal.

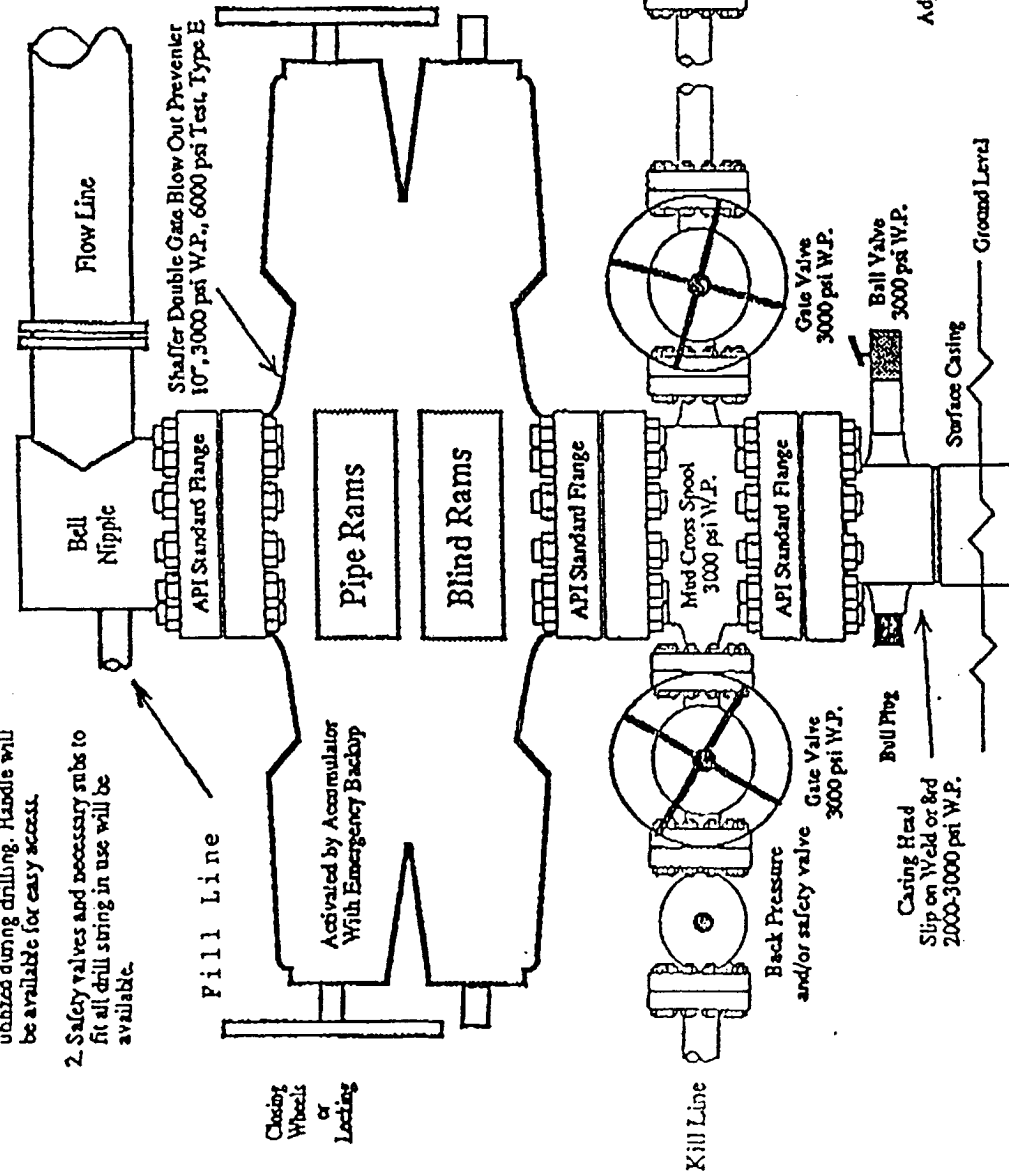
Tail cement will be ≈ 200 sacks 50/50 Class B Poz with 2% gel + 1/4#/sack Flocele + 0.5% Halad-9. Yield = 1.38 cubic feet/sack. Weight = 13.5 #/gallon.

Cement equipment will include a guide shoe, float collar, and 15 centralizers.

Pressure Control Equipment

Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

2. Safety valves and necessary snbs to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.

Minimum 2" Choke Line.
Minimum 2" Kill Line.
At Least One 2" Minimum Kill Line Valve.

