

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

5. Lease Serial No.

NMSF-0 079232

6. If Indian, Allottee or Tribe Name

N/A

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

N/A

8. Lease Name and Well No.

Bolack C 23

1a. Type of Work: ☒ DRILL☐ REENTER1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other☐ Single Zone ☒ Multiple Zone

2. Name of Operator

XTO Energy Inc.

3a. Address 2700 Farmington Ave., Bldg K-1
Farmington, NM 874013b. Phone No. (include area code)
(505) 324-1090

9. API Well No.

30-045-32553

10. Field and Pool, or Exploratory

Otero Chacra & Blanco Mesa Verde

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

2245' F&L & 665' FEL

At proposed prod. zone Same N

11. Sec., T., R., M., or Blk. and Survey or Area

H 29-27n-8w NMPM

14. Distance in miles and direction from nearest town or post office*

8 air miles SE of Bloomfield

12. County or Parish

San Juan ✓

13. State

NM

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

2,245'

16. No. of Acres in lease

2,552.22

17. Spacing Unit dedicated to this well

Chacra = NE4 (160 acres)
Mesa Verde = E2 (320 acres)18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

1,461'*

19. Proposed Depth

5,200'

20. BLM/BIA Bond No. on file

BLM nation wide: 57 91 73

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6,343' ungraded

22. Approximate date work will start*

Upon Approval

23. Estimated duration

5 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.

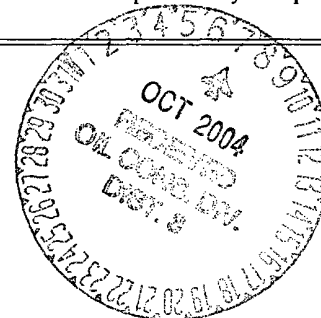
2. A Drilling Plan.

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).4. Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the
authorized officer.

Comments

*to XTO's BOLACK'S C LS 12, a PC & Mesa Verde gas well
APD/ROW (GulfTerra)

cc: BLM (& OCD), Patton

25. Signature

Name (Printed/Typed)

Brian Wood

Date

8-24-04

Title

Consultant

Phone: 505 466-8120

FAX: 505 466-9682

Approved by (Signature)

Name (Printed/Typed)

Wayne Townsend

Date

10/9/04

Title

Acting 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.This action is subject to
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

NMOC

DRILLING OPERATIONS AUTHORIZED AND
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

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

RECEIVED

AUG 25 2004

Bureau of Land Management
Farmington Field Office

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-32553	² Pool Code 82329 & 72139	³ Pool Name OTERO CHACRA & BLANCO MESA VERDE
⁴ Property Code 28096	⁵ Property Name BOLACK C	⁶ Well Number 23
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6343

¹⁰ Surface Location

UL or lot no. H	Section 29	Township 27-N	Range 8-W	Lot Idn	Feet from the 2245	North/South line NORTH	Feet from the 665	East/West line EAST	County SAN JUAN
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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 (CH) & 320 (MV)					¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.

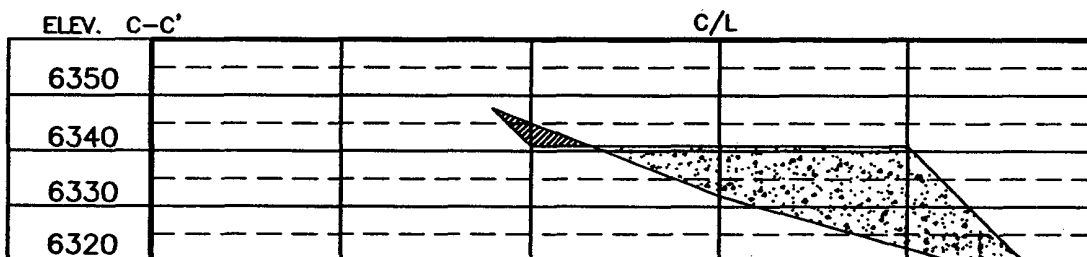
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	QTR. CORNER FD 3 1/4" BC BLM 1955	N 89-20-49 W 2454.2' (M)	SEC. CORNER FD 3 1/4" BC BLM 1955	17	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature BRIAN WOOD Printed Name CONSULTANT Title AUG. 24, 2004 Date
	CHACRA	2245'	S 03°08'08" E 2670.3' (M)	665'	
		LAT: 36°32'47" N. (NAD 27) LONG: 107°41'54" W. (NAD 27)			
		29			18
		MESA VERDE	QTR. CORNER FD 3 1/4" BC BLM 1955		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 of Professional Surveyor Certificate Number

LAT: 36°32'47" N.
LONG: 107°41'54" W.
NAD 27




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.

REVISION	DATE	REVISION BY
RESTAKE WELL LOG	07/08/04	B.L.



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

SUNNY BY A.C.	DATE	CR260CF8
FORM: CR260	DATE	03/17/04

XTO Energy Inc.
Bolack C 23
2245' FNL & 665' FEL
Sec. 29, 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>Elevation</u>
San Jose	000'	12'	+6,343'
Nacimiento	293'	305'	+6,050'
Ojo Alamo Sandstone	1,473'	1,485'	+4,870'
Kirtland Shale	1,643'	1,655'	+4,700'
Fruitland Coal	2,093'	2,105'	+4,250'
Pictured Cliffs Ss	2,353'	2,365'	+3,990'
Lewis Shale	2,453'	2,465'	+3,890'
Chacra	3,293'	3,305'	+3,050'
Mesa Verde Sandstone	4,623'	4,635'	+1,720'
Mancos Shale	4,993'	5,005'	+1,350'
Total Depth*	5,200'	5,012'	+1,143'

* all elevations reflect the ungraded ground level of 6,343'

2. NOTABLE ZONES

Gas or Oil Zones

Fruitland
Pictured Cliffs
Chacra
Mesa Verde

Water Zones

Nacimiento
Ojo Alamo
Fruitland

Coal Zones

Fruitland
Menefee

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.

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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 test procedures are on PAGE 3.

4. CASING & CEMENT

	<u>Surface Casing</u>	<u>Production Casing</u>
Interval	0' - 350'	0' - 5,200'
Hole Diameter	12-1/4"	7-7/8"
Casing Diameter	8-5/8"	4-1/2"
Weight (pounds/foot)	24	10.5
Grade	J-55	J-55
Coupling	S T&C	S T&C
Collapse Rating (psi)	1370	4010
Burst Rating (psi)	2950	4790
Joint Strength (M-lbs)	244	132
I. D. (inches)	8.097	4.052
Drift (inches)	7.972	3.875
SF Coll	9.44	1.28
SF Burst	13.72	1.06
SF Ten	33.89	1.87
Centralizers	3	15

Casing head will be Larkin Fig 92 or its equivalent, 9" nominal 2,000 psi WP, (4,000 psi test) with 8-5/8" 8 rounded thread on bottom, and 11-3/4" 8 rounded thread on top.

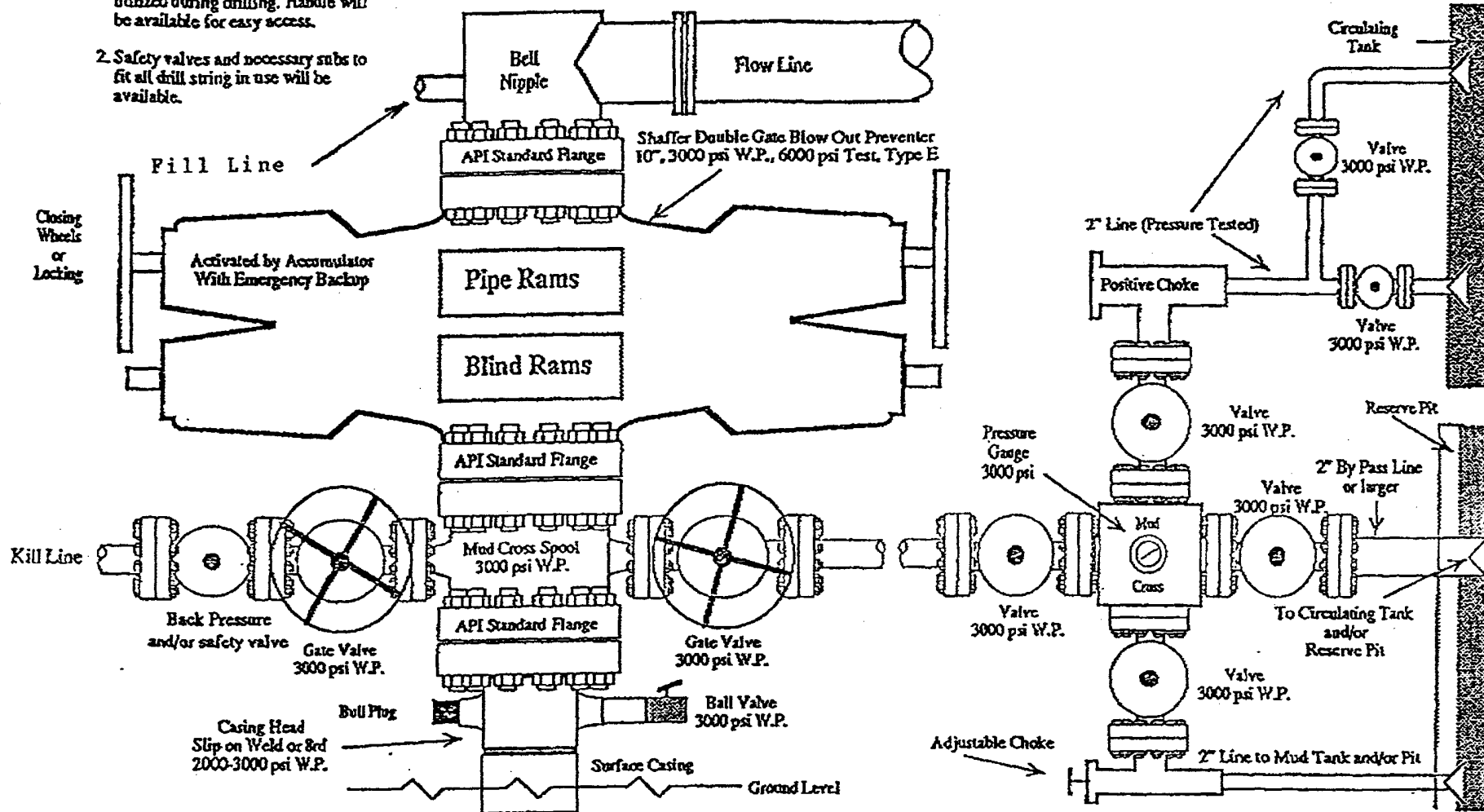
Tubing head will be Larkin Fig 612 or its equivalent, 2000 psi WP (4,000 psi test), 4-1/2" 8 rounded female thread on bottom, and 8-5/8" rounded thread on top.

Pressure Control Equipment

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

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

2. Safety valves and necessary subs 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.

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Surface casing will be cemented to surface with ≈ 217 sacks Type III cement with 2% CaCl_2 + 1/4 pound per sack cello flake mixed with 6.33 gallons of water per sack. Weight = 14.8 pounds/gallon. Density = 1.34 cubic feet/sack. Total volume = 290 cubic feet based on >100% excess.

Production casing will be cemented to surface in two stages. DV tool will be set at $\approx 2,600'$. Total first stage volume = 770 cubic feet. Total second stage volume = 770 cubic feet. Volumes to be based on caliper log + 30% excess.

First stage lead will be ≈ 312 sacks 65/35 Class H with 6% gel + 1/4 pound per sack cello flake + 3% NaCl + 0.5% fluid loss additive + 0.2% dispersant mixed with 10.59 gallons of water per sack. Weight = 12.5 pounds/gallon. Yield = 2.08 cubic feet/sack.

First stage tail will be cemented with ≈ 105 sacks Class H + 1/4 pound per sack cello flake + 0.5% fluid loss additive mixed with 5.23 gallons of water per sack. Weight = 15.6 pounds per gallon. Yield = 1.18 cubic feet per sack.

Second stage lead will be cemented with ≈ 215 sacks Class H with 3% extender + 1/4 pound per sack cello flake mixed with 10.19 gallons of water per sack. Weight = 11.2 pounds per gallon. yield = 3.07 cubic feet per sack.

Second stage tail will be cemented with ≈ 105 sacks Class H with 1/4 pound per sack cell flake + 0.5% fluid loss additive mixed with 5.23 gallons of water per sack. Weight = 15.6 pounds per gallon. Yield = 1.18 cubic feet per sack.

5. MUD PROGRAM

<u>INTERVAL</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>WATER LOSS</u>
0' - 350'	Fresh Water-Spud	8.6-9.0	28-32	NC
350' - 2,500'	Fresh Water-Polymer	8.4-8.8	28-32	NC
2,500' - TD	LSND	8.6-9.0	45-60	8-10 cc