

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		2004 SEP 23 AM 10 31		5. Lease Serial No. NM - 03371
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		RECEIVED		6. If Indian, Allottee or Tribe Name
2. Name of Operator XTO Energy Inc.		070 FARMINGTON		7. Unit or CA Agreement Name and No.
3a. Address 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM		3b. Phone No. (include area code) 505-324-1699		8. Lease Name and Well No. Stanolind Gas Com "B" #4
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1130' FNL x 2475' FWL in Sec 9, T32N, R12W				9. API Well No. 30045 32592
At proposed prod. zone				10. Field and Pool, or Exploratory Blanco Mesaverde
14. Distance in miles and direction from nearest town or post office* Approx 12 air miles Northeast of the La Plata, NM Postoffice				11. Sec., T., R., M., or Blk. and Survey or Area K Sec 9, T32N, R12W
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1130'		16. No. of Acres in lease 905.42		12. County or Parish San Juan
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 150'		19. Proposed Depth 4,600'		13. State NM
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,116' GL		22. Approximate date work will start* Winter 2005		17. Spacing Unit dedicated to this well 280.38 acres #2 AN
				23. Estimated duration 8 Days

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. |

25. Signature 	Name (Printed/Typed) Jeffrey W. Patton	Date 9/21/04
Title Drilling Engineer		
Approved by (Signature) 	Name (Printed/Typed) AFM	Date 1-5-05
Title AFM	Office FFO	

Application approval 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.  
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.

\*(Instructions on page 2)

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

DISTRICT II  
1301 W. Grand Ave., 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 Dept.

OIL CONSERVATION DIVISION

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

RECEIVED

SEP 23 2004

Bureau of Land Management  
Farmington Field Office

Form C-102

Revised June 10, 2003

Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APC Number <b>30045-32592</b>		Pool Code <b>72319</b>	Pool Name <b>Blanco Mesaverte</b>	
Property Code <b>22637</b>	Property Name <b>STANOLIND GAS COM B</b>		Well Number <b>4</b>	
GRID No. <b>167067</b>	Operator Name <b>XTO ENERGY INC.</b>		Elevation <b>6116</b>	

10 Surface Location

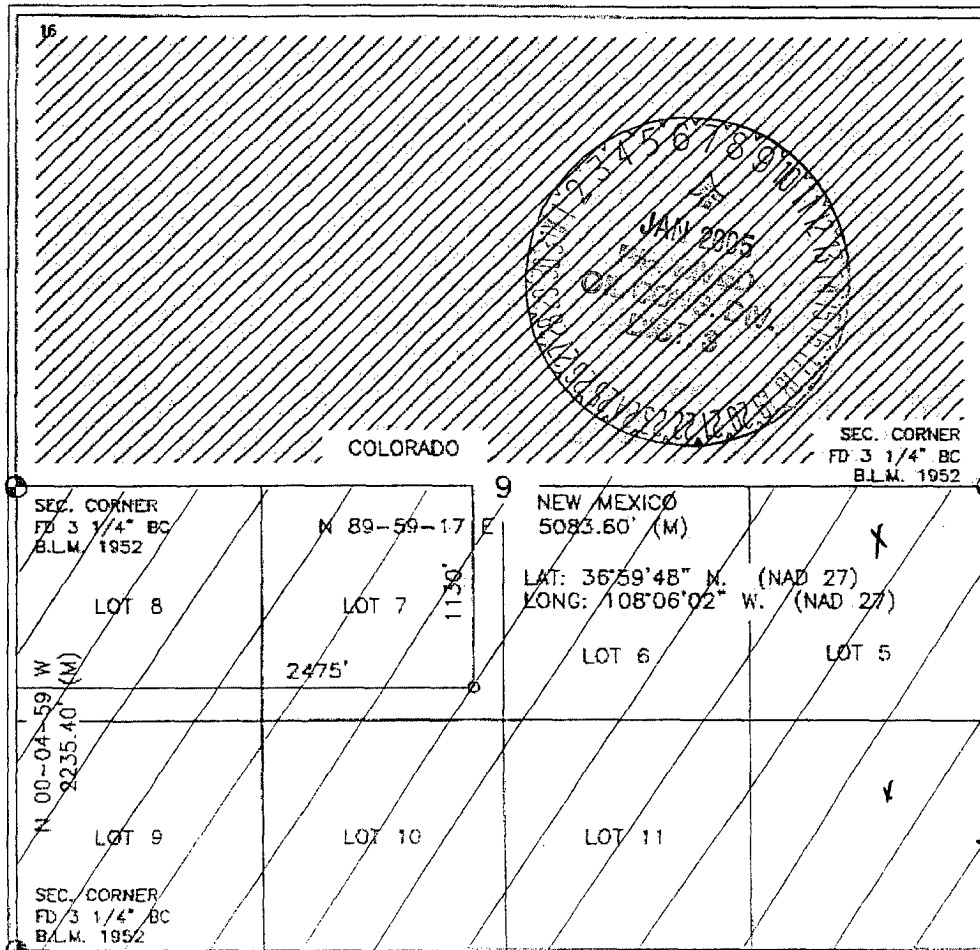
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	9	32-N	12-W	LOT 7	1130	NORTH	2475	WEST	SAN JUAN

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
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Dedicated Acres <b>280.38</b>	Joint or Infill	Consolidation Code	Order No.
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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

*Jelly K Small*  
Signature  
**Jelly K Small**  
Printed Name  
**Drilling Assistant**  
Title  
**09/16/04**  
Date

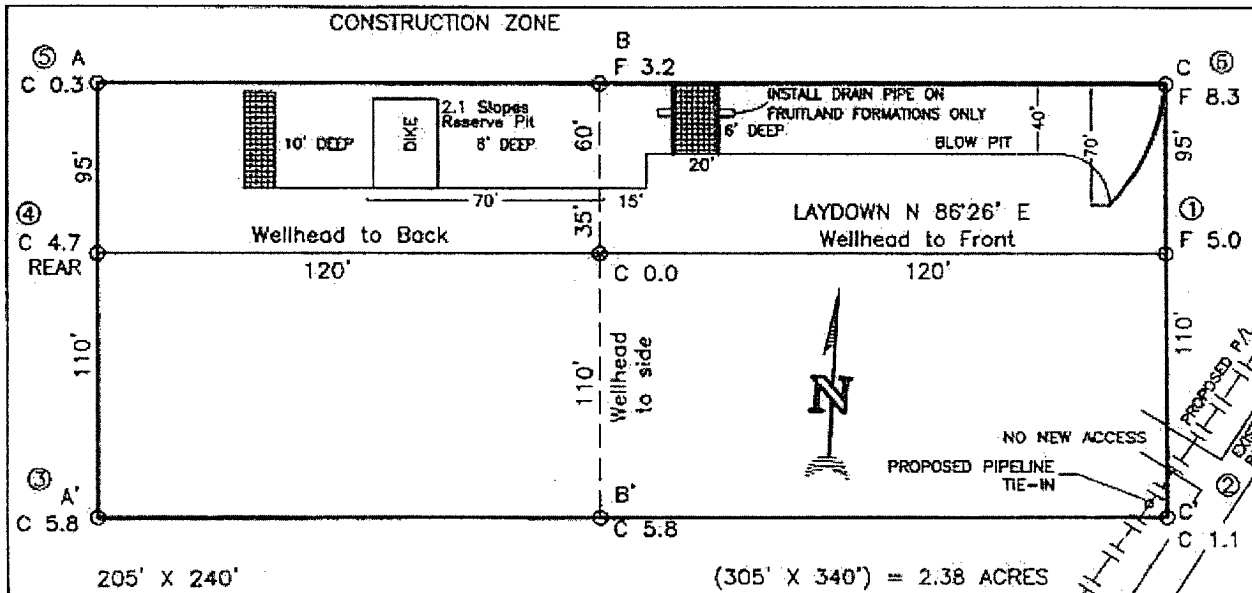
18 SURVEYOR CERTIFICATION

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.

**JOHNA VUKOBRA**  
NEW MEXICO  
REGISTERED PROFESSIONAL SURVEYOR  
14831  
Certificate Number

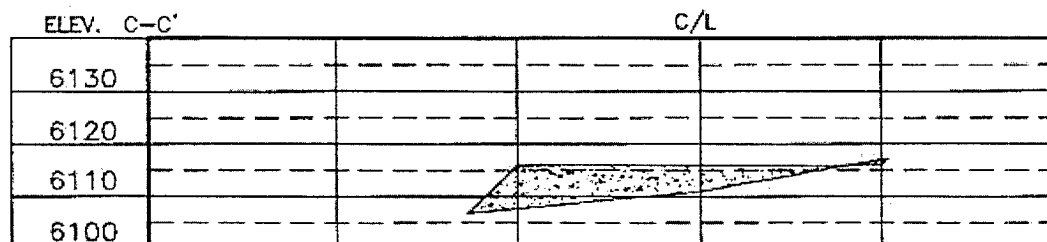
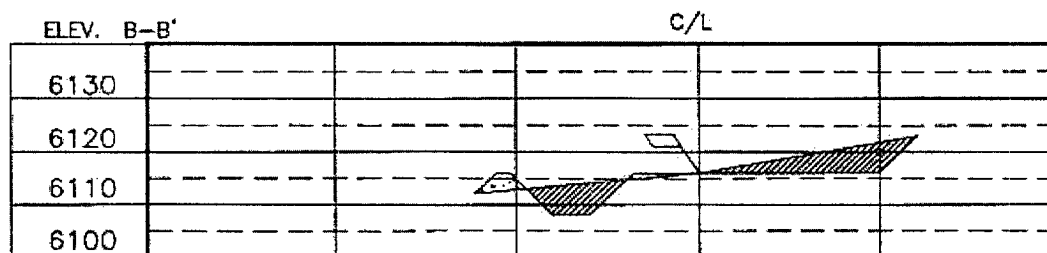
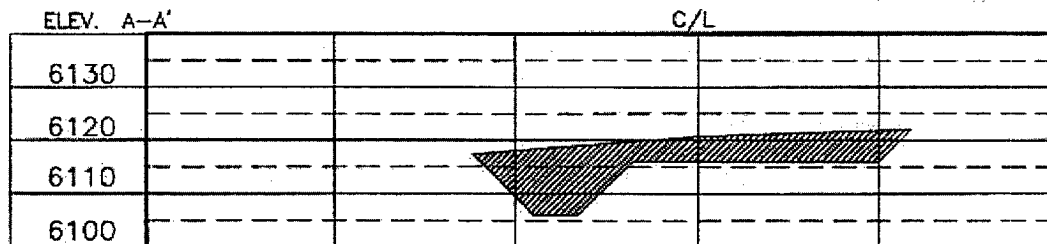
XTO ENERGY INC.  
 STANOLIND GAS COM B No. 4, 1130 FNL 2475 FWL  
 SECTION 9, T32N, R12W, N.M.P.M., SAN JUAN COUNTY, N. M.  
 GROUND ELEVATION: 6116', DATE: August 19, 2004

LAT. = 36°59'48" N.  
 LONG. = 108°06'02" 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.



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

**Daggett Enterprises, Inc.**  
 Surveying and Oil Field Services  
 P. O. Box 15088 • Farmington, NM 87401  
 Phone (505) 336-1772 • Fax (505) 336-4018  
 NEW MEXICO L.S. No. 14831  
 DRAWN BY: B.L.  
 DATE: 08/27/04

EXHIBIT

# XTO ENERGY INC.

Stanolind Gas Com "B" #4

Drilling Prognosis

September 21, 2004

Location: 1,130' FNL & 2,475' FWL, Sec 9, T32N, R12W

County: San Juan

State: New Mexico

PROJECTED TOTAL DEPTH: ±4,600'

GR ELEV: 6,116'

OBJECTIVE: Mesaverde

Est KB ELEV: 6,128' (12' AGL)

## 1. MUD PROGRAM:

INTERVAL	0' to 265'	265' to TD
HOLE SIZE	12-1/4"	7-7/8"
MUD TYPE	FW/Spud Mud	FW/Polymer/LSND
WEIGHT	8.6-9.0	8.4-8.8
VISCOSITY	28-32	28-40
WATER LOSS	NC	8-10 cc's

Remarks: Use fibrous materials as needed to control seepage and lost circulation during intermediate part of hole.

## 2. CASING PROGRAM:

Surface Casing: 8-5/8" casing to be set at ± 265' in 8.6 ppg spud mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-265'	265'	24.0#	J-55	STC	1,370	2,950	244	9.001	8.845	11.57	18.76	49.14

Production Casing: 5-1/2" casing to be set at 4,600' in LSND Gel based Mud.

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-4,600'	4,600'	15.5#	J-55	STC	4,040	4,810	202	4.950	4.825	1.87	2.23	2.83

## 3. WELLHEAD:

- Casing Head: Larkin Fig 92 (or equivalent), 8-5/8" nominal, 2,000 psig WP (4,000 psig test) with 8-5/8" 8rnd thread on bottom and 10-3/4" 8rnd thread on top.
- Tubing Head: Larkin Fig 612 (or equivalent), 6.437" nominal, 3,000 psig WP (6,000 psig test), 5-1/2" weld-on, slip-on bottom and a flanged fitting on top.

EXHIBIT **D**

**4. CEMENT PROGRAM (Slurry design may change slightly, but the plan is to circulate cement to surface on both the surface and production casing strings)**

A. Surface: 8-5/8", 24.0#, J-55, STC casing to be set at  $\pm 265'$ .

Lead: 150 sx of Type III (or equivalent) cement containing 2%  $\text{CaCl}_2$ , 1/4 pps celloflake, mixed at 14.5 ppg, 1.41  $\text{ft}^3/\text{sk}$ , & 6.30 gal wtr/sk.

*Total slurry volume is 208  $\text{ft}^3$ ,  $\pm 125\%$  excess of calculated annular volume to 265'.*

B. Production Casing: 5-1/2", 15.5#, J-55, STC casing to be set at 4,600'. DV Tool @ 4,000'

1<sup>st</sup> Stage 80 sx Premium Lite High Strength w/LCM, dispersant and fluid loss additives mixed at 12.5 ppg, 2.01 cuft/sx, 10.6 gal wtr/sx.

2<sup>nd</sup> Stage

Lead: 375 sx of Type III w/extender and LCM mixed at 11.9 ppg, 2.54  $\text{ft}^3/\text{sk}$ , 15.0 gal wtr/sx.

Tail: 50 sx of Type III w/LCM mixed at 14.5 ppg, 1.41  $\text{ft}^3/\text{sk}$ , 6.7 gal wtr/sx..

*Total estimated slurry volume for the 5-1/2" production casing is 1,184  $\text{ft}^3$  using 40% excess.*

*Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined for the caliper logs plus 40%.*

**5. LOGGING PROGRAM:**

A. Mud Logger: A 2 man mud logging unit will come on the hole from 2,000' to TD.

B. Open Hole Logs as follows: Run Induction/MSFL/GR/SP from TD (4,600') to the bottom of the surface casing and run the Density/CSN/Cal and Pe fr/TD to 2,000'.

**6. FORMATION TOPS:**

Formation	Subsea Depth	Well Depth
Ojo Alamo SS		
Kirtland Shale		
Fruitland Formation	+4860'	1268'
Lower Fruitland Coal	+4760'	1368'
Pictured Cliffs SS	+4660'	1468'
Lewis Shale	+4500'	1628'
Chacra SS	+3410'	2718'
Cliffhouse SS*	+2780'	3348'
Menefee*	+2600'	3528'
Point Lookout SS*	+1940'	4188'
Mancos Shale	+1800'	4328'
Projected TD	+1528'	4600'

\* Target Reservoir. Maximum anticipated reservoir pressure will be  $\pm 1,550$  psig.

7. COMPANY PERSONNEL:

Name	Title	Office Phone	Home Phone
Jeff Patton	Drilling Engineer	505-324-1090	505-632-7882
Dennis Elrod	Drilling Foreman	505-486-6460	505-326-2024
Randy Hosey	Project Geologist	817-885-2398	817-427-2475
Barry Voigt	Reservoir Engineer	817-885-2462	817-540-2092

JWP  
9/21/04

EXHIBIT D

# BOP SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

## TESTING PROCEDURE

### 1. Test BOP after installation:

Pressure test BOP to 200-300  
psig (low pressure) for <sup>5</sup>~~10~~ min.

Test BOP to Working Press or  
to 70% internal yield of surf csg  
(10 min).

### 2. Test operation of (both) rams on every trip.

### 3. Check and record Accumulator pressure on every tour.

### 4. Re-pressure test BOP stack after changing out rams.

### 5. Have kelly cock valve with handle available.

### 6. Have safety valve and subs to fit all sizes of drill string.

ROTATING HEAD  
(OPTIONAL)

FILL UP LINE

FLOW LINE  
TO PIT

PIPE  
RAMS

BLIND  
RAMS

KILL LINE  
2" dia min.

TO CHOKE  
MANIFOLD  
2" dia min.

See Choke Manifold drawing for  
specifications

HCR VALVE (OPTIONAL)

MUD CROSS

2" (MIN) FULL OPENING  
VALVE

\*\* Remove check or ball  
from check valve and  
press test to same press  
as BOP's. \*\*

EXHIBIT D

# CHOKE MANIFOLD SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

1. Stake all lines from choke manifold to pit.
2. Pressure test choke manifold after installation.
3. Pressure test manifold at the same time with the BOP Stack. Test manifold to the same test pressures.

## TESTING PROCEDURE

