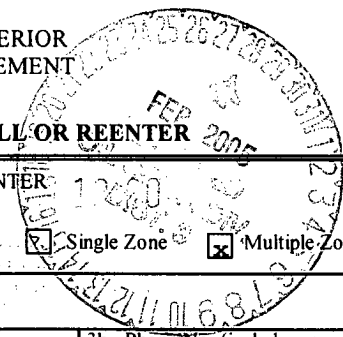


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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		5. Lease Serial No. SF-077842 482
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 checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator XTO Energy Inc.		7. Unit or CA Agreement Name and No. N/A
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM	3b. Phone No. (include area code) 505-324-1090	8. Lease Name and Well No. SCOTT GAS COM #1F
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1855' FNL x 1980' FEL in Sec 1, T30N, 12W At proposed prod. zone same		9. API Well No. 30-045-32872
14. Distance in miles and direction from nearest town or post office* Approx 2.3 air miles NorthWest of Aztec, NM Post Office		10. Field and Pool, or Exploratory BASIN DAKOTA/BLANCO MESEVERDE
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1855'	16. No. of Acres in lease 758.1	11. Sec., T., R., M., or Blk. and Survey or Area Sec 1, T30N, R12W
17. Spacing Unit dedicated to this well DK 317.84/MV 317.84 N2	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 940'	12. County or Parish San Juan
19. Proposed Depth 7100'	20. BLM/BIA Bond No. on file	13. State NM
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5874' Ground Elevation	22. Approximate date work will start* summer 2005	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. |

25. Signature Kyla Vaughan	Name (Printed/Typed) Kyla Vaughan	Date 01/27/05
-----------------------------------	---	-------------------------

Title Regulatory Compliance Tech		
--	--	--

Approved by (Signature) [Signature]	Name (Printed/Typed)	Date 2-24-05
--	----------------------	------------------------

Title AFM	Office FEO
---------------------	----------------------

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 subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

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



APD/ROW

NMOCD

DISTRICT I
1925 N. French Dr., Hobbs, N.M. 88240

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

DISTRICT III
1000 Rio Brazos Rd., Artesia, 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 PLAN

¹ API Number 30-045-32872	² Pool Code 71399	³ Pool Name Basin Dakota
⁴ Property Code 22811	⁵ Property Name SCOTT GAS COM	
⁶ ORDER No. 1070607	⁷ Operator Name XTO ENERGY INC.	
		⁸ Well Number 1F
		⁹ Elevation 5874'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
G	1	30-N	12-W	5	1855	NORTH	1980	EAST	SAN JUAN

¹¹ Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 317.84 012	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
B.L.M. 1951

N 89-14-51 W
2657.8' (M)

SEC. CORNER
FD 3 1/4" BC
B.L.M. 1951

S 08-38-11 W
2598.0' (M)

1980'

LOT 1, LOT 2, LOT 3, LOT 4, LOT 5, LOT 6, LOT 7, LOT 8, LOT 9

LAT: 36°50'35.8" N. (NAD 27)
LONG: 108°02'49.6" W. (NAD 27)

QTR. CORNER
FD 3 1/4" BC
B.L.M. 1951

17 OPERATOR CERTIFICATION

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

Wally K. Small
Signature

Wally K. Small
Printed Name

Drilling Assistant
Title

12/10/04
Date

18 SURVEYOR CERTIFICATION

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

2004

JOHN A. VUKONICH
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
14837
11-2

Certificate Number

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

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

DISTRICT III
1000 Rio Arizos 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 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

*API Number		*Pool Code	*Pool Name
		72319	Blanco Mesquero
*Property Code	*Property Name		*Well Number
	SCOTT GAS COM		1F
*OGRD No.	*Operator Name		*Elevation
10970107	XTO ENERGY INC.		5874'

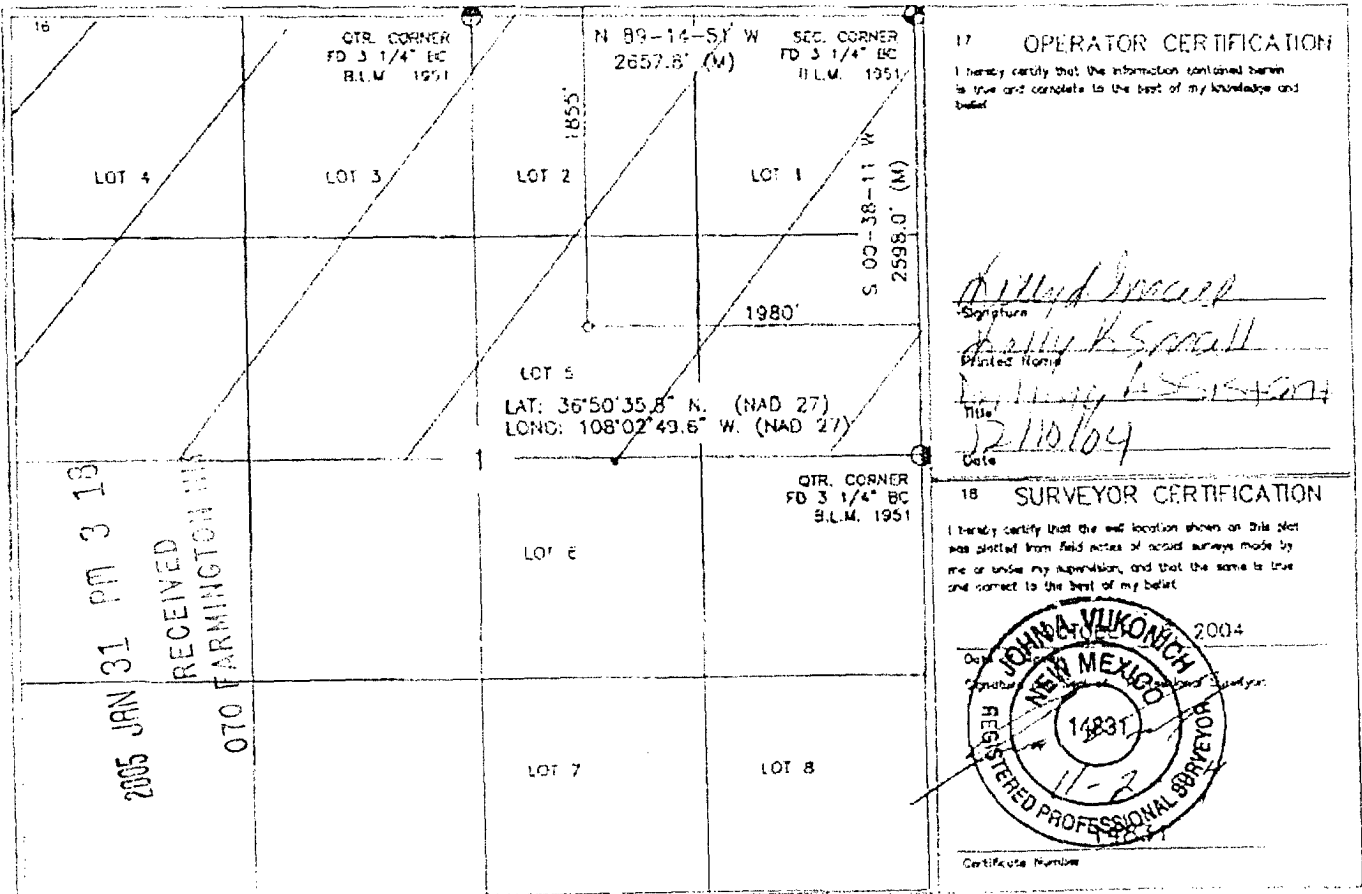
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	1	30-N	12-W	5	1855	NORTH	1980	EAST	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
*Dedicated Acres		*Joint or Infill		*Consolidation Code		*Order No.			
317.84 A12									

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



Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 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.	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. SF-077842	
7. Lease Name or Unit Agreement Name: SCOTT GAS COM	
8. Well Number #1F	
9. OGRID Number 167067	
10. Pool name or Wildcat BASIN DAKOTA/BLANCO MESEVERDE	

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 XTO Energy Inc.

3. Address of Operator
 2700 Farmington Ave., Bldg. K, Ste 1, Farmington, NM 87401

4. Well Location
 Unit Letter G : 1855 feet from the NORTH line and 1980 feet from the EAST line
 Section 1 Township 30N Range 12W NMPM NMPM County SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 5874' GL

Pit or Below-grade Tank Application or Closure

Pit type DRILL Depth to Groundwater >100 Distance from nearest fresh water well 1 MILE Distance from nearest surface water 1 MILE
 Pit Liner Thickness: 12 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <u>RESERVE PIT</u> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

See Attachment

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

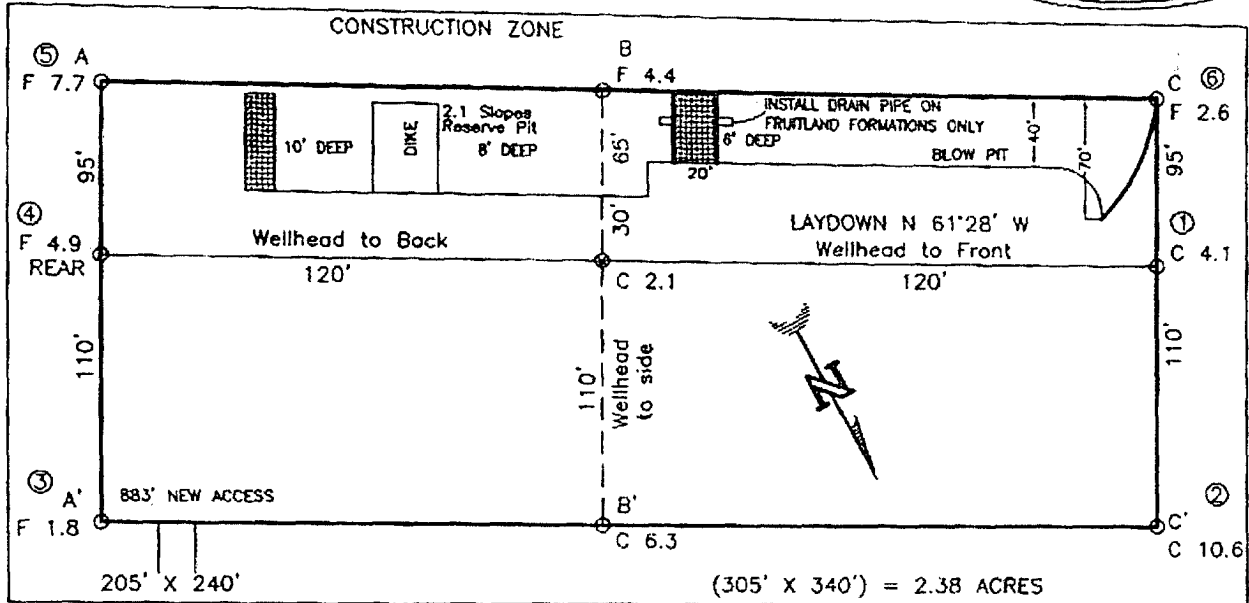
SIGNATURE Kyla Vaughan TITLE Regulatory Compliance Tech DATE 01/27/05
 E-mail address: Kyla_Vaughan@xtoenergy.com
 Type or print name Kyla Vaughan Telephone No. 505-324-1090

For State Use Only
 APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #4 DATE FEB 28 2005
 Conditions of Approval, if any:

EXHIBIT D

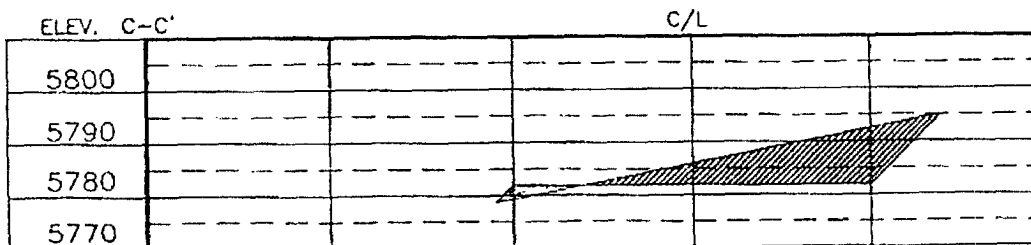
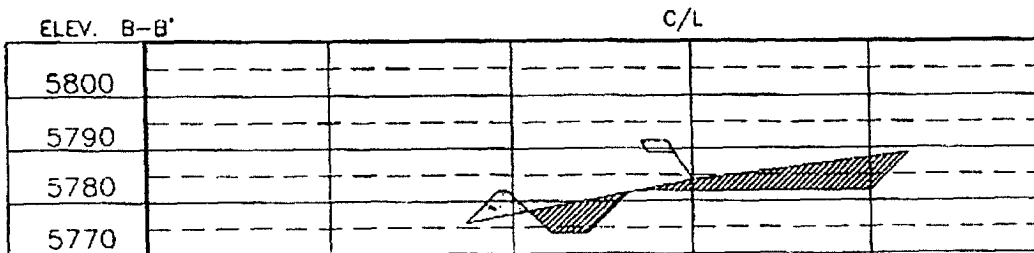
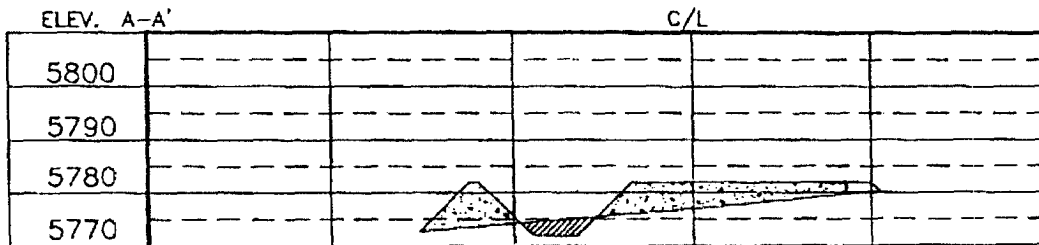
XTO ENERGY INC.
 SCOTT GAS COM #1F, 1855 FSL 1980 FEL
 SECTION 1, T30N, R12W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 5784', DATE: OCTOBER 18, 2004

LAT. = 36°50'35.8" N.
 LONG. = 108°02'49.6" 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.

DATE	REVISIONS
Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 366-1772 • Fax (505) 320-3015 NEW MEXICO L.S. No. 14631 COUNTY CR388CPE	
Drawn by: B.L.L.	DATE: 11/02/04
Scale: CR388	




EXHIBIT E

XTO ENERGY INC.

Scott Gas Com #1F

APD Data

January 27, 2005

Location: 1,855' FNL x 1,980' FEL Sec 1, T30N, R12W County: San Juan State: New Mexico

GREATEST PROJECTED TD: 7,100'
APPROX GR ELEV: 5,874'

OBJECTIVE: Basin Dakota / Blanco Mesaverde
Est KB ELEV: 5,886' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 4,000'	4,000' to TD
HOLE SIZE	12-1/4"	7-7/8"	7-7/8"
MUD TYPE	FW/Spud Mud	FW/Polymer	LSND / Gel Chemical
WEIGHT	8.6-9.0	8.4-8.8	8.6-9.0
VISCOSITY	28-32	28-32	45-60
WATER LOSS	NC	NC	8-10

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes.

2. CASING PROGRAM:

Surface Casing: 8-5/8" casing to be set at ± 360' in a 12-1/4" hole filled with 8.8 ppg 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'-360'	360'	24.0#	J-55	STC	1370	2950	244	8.097	7.972	7.32	7.95	29.39

Production Casing: 5-1/2" casing to be set at TD (±7,100') in 7-7/8" hole filled with 9.0 ppg 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'-TD	7,100'	15.5#	J-55	STC	4040	4810	222	4.950	4.825	1.22	1.45	2.02

202

3. WELLHEAD:

- A. Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 8-5/8" 8rnd thread on bottom and 11-3/4" 8rnd thread on top.
- B. Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 2,000 psig WP (4,000 psig test), 5-1/2" 8rnd female thread on bottom, 8-5/8" 8rnd thread on top.

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

A. Surface: 8-5/8", 24#, J-55, STC casing to be set at $\pm 360'$ in 12-1/4" hole.

210 sx of Type III cement (or equivalent) typically containing accelerator and LCM, mixed at 14.5 ppg, 1.39 ft³/sk, & 6.70 gal wtr/sk.

Total slurry volume is 297 ft³, 100% excess of calculated annular volume to 360'.

B. Production: 5-1/2", 15.5#, J-55 (or K-55), STC casing to be set at $\pm 7,100'$ in 7-7/8" hole. DV Tool set @ $\pm 4,000'$

1st Stage

LEAD:

225 sx of Premium Lite HS (Type III/Poz/Gel) with 2% salt, 1/4 pps cello, 0.2% dispersant, 0.5% fluid loss & 2% LCM mixed at 12.5 ppg, 2.01 ft³/sk, 10.55 gal wtr/sx.

TAIL:

150 sx Type III with 5% bonding additive, 1/4 pps cello, 2% LCM, 0.3% dispersant & 0.2% fluid loss mixed at 14.2 ppg, 1.54 cuft/sx, 8.00 gal/sx.

2nd Stage

LEAD:

410 sx of Type III with 8% gel, 1/4 pps cello & 2% LCM mixed at 11.9 ppg, 2.54 ft³/sk, 15.00 gal wtr/sx.

TAIL:

100 sx Type III neat mixed at 14.5 ppg, 1.39 cuft/sx, 6.3 gal/sx.

Total estimated slurry volume for the 5-1/2" production casing is 1,863 ft³.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 40%. It will be attempted to circulate cement to the surface.

5. LOGGING PROGRAM:

A. Mud Logger: The mud logger will come on at 5,000' and will remain on the hole until TD. The mud will be logged in 10' intervals.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (7,100') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (7,100') to 5,000'.

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 ¹⁰5 min.

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

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 on the rig floor and ready to go.

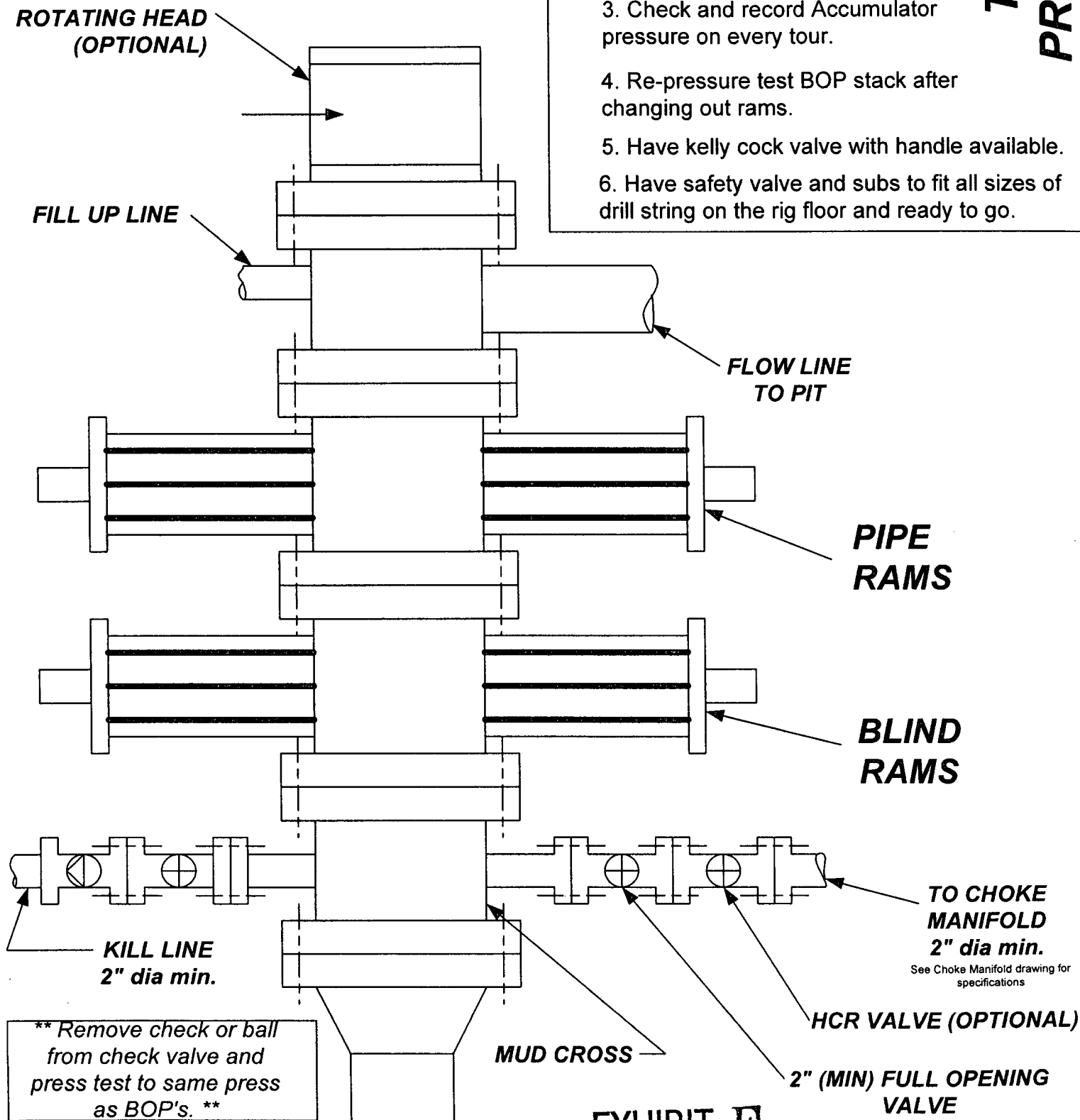


EXHIBIT F

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

- TESTING
PROCEDURE

 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.

