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FORM APPROVED  
OMB No 1004-0137  
Expires March 31, 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

JAN 07 2011

APPLICATION FOR PERMIT TO DRILL OR REENTER

5 Lease Serial No.  
NMNM-03547

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.  
BREECH F #133

9 API Well No.  
30-045-31011

10 Field and Pool, or Exploratory  
Basin DK/Blanco MV/Blanco TO

11 Sec, T R M or Blk and Survey or Area  
(J) Sec 33, T27N, R6W

12 County or Parish  
RIO ARRIBA

13 State  
NM

1a. Type of work ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator  
XTO Energy Inc.

3a Address 382 CR 3100  
Aztec, NM 87410

3b. Phone No. (include area code)  
505/ 333-3100

4. Location of Well (Report location clearly and in accordance with any State requirements \*)  
At surface 1955' FSL x 1980' FEL  
At proposed prod. zone Same

14 Distance in miles and direction from nearest town or post office\*  
31.1 miles SE of Bloomfield P.O.

15 Distance from proposed\*  
location to nearest  
property or lease line, ft  
(Also to nearest drng unit line, if any) 1955'

16 No of acres in lease  
1600

17 Spacing Unit dedicated to this well  
E/2 320

18 Distance from proposed location\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft 1010'

19 Proposed Depth  
7650'

20 BLM/BIA Bond No on file  
UTB000138

21 Elevations (Show whether DF, KDB, RT, GL, etc)  
6540' Ground Elevation

22 Approximate date work will start\*  
01/31/2011

23 Estimated duration  
2 Weeks

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.9  
and appeal pursuant to 43 CFR 3165.4

24. Attachments

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

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

25 Signature  
Malia Villers

Name (Printed/Typed)  
Malia Villers

Date  
1/6/2011

Title  
Permitting Tech.

Approved by (Signature)  
APM

Name (Printed/Typed)

Date  
6/7/11

Title  
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 USC Section 1001 and Title 43 USC 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)

NOTIFY AZTEC OCD 24 HRS.  
PRIOR TO CASING & CEMENT

JUN 22 2011

NMOCD

BLM'S APPROVAL OR ACCEPTANCE OF THIS  
ACTION DOES NOT RELIEVE THE LESSEE AND  
OPERATOR FROM OBTAINING ANY OTHER  
AUTHORIZATION REQUIRED FOR OPERATIONS  
ON FEDERAL AND INDIAN LANDS

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

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Farmington Field Office  
Bureau of Land Management

Form C-102

Revised October 12, 2005

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-039-31011</b>	<sup>2</sup> Pool Code <b>71599</b>	<sup>3</sup> Pool Name <b>Basin Dakota</b>
<sup>4</sup> Property Code <b>304754</b>	<sup>5</sup> Property Name <b>BREECH F</b>	<sup>6</sup> Well Number <b>133</b>
<sup>7</sup> OGRID No <b>5380</b>	<sup>8</sup> Operator Name <b>XTO ENERGY INC.</b>	<sup>9</sup> Elevation <b>6540'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	33	27-N	6-W		1955	SOUTH	1980	EAST	RIO ARriba

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres <b>E/2 320.0</b>			<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

<sup>16</sup>										<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  <b>Maria Villers</b> 1/6/11 Signature Date <b>Maria Villers</b> Printed Name
										<sup>18</sup> 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 knowledge and belief.  JULY 11 2008 Date of Survey Signature and Seal of Registered Professional Land Surveyor <b>ROY A. RUSH</b> NEW MEXICO REGISTERED PROFESSIONAL LAND SURVEYOR 8894 Certificate Number
<p><b>SURFACE LOCATION:</b> LAT: 36.52934° N. (NAD 83) LONG: 107.47058° W. (NAD 83) LAT: 36°31'45.6" N. (NAD 27) LONG: 107°28'11.9" W (NAD 27)</p> <p>FD 3 1/4" BC 1955 B.L.M.</p> <p>33</p> <p>1955'</p> <p>S 89°55'29" W 2644.34' (M)</p> <p>1980'</p> <p>N 00°33'22" W 2620.22' (M)</p> <p>FD 3 1/4" BC 1957 B.L.M.</p>										

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<sup>1</sup> API Number 30-039-31011	<sup>2</sup> Pool Code 72319	<sup>3</sup> Pool Name Blanco mesaverde
<sup>4</sup> Property Code 304754	<sup>5</sup> Property Name BREECH F	<sup>6</sup> Well Number 133
<sup>7</sup> OGRID No 5380	<sup>8</sup> Operator Name XTO ENERGY INC.	<sup>9</sup> Elevation 6540'

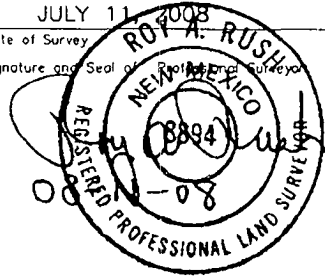
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<sup>1</sup> API Number 30-039-31011	<sup>2</sup> Pool Code 064160	<sup>3</sup> Pool Name South Blanco Tdcito
<sup>4</sup> Property Code 304754	<sup>5</sup> Property Name BREECH F	<sup>6</sup> Well Number 133
<sup>7</sup> OCRID No 5380	<sup>8</sup> Operator Name XTO ENERGY INC.	<sup>9</sup> Elevation 6540'

<sup>10</sup> Surface Location

UL or lot no J	Section 33	Township 27-N	Range 6-W	Lot Idn	Feet from the 1955	North/South line SOUTH	Feet from the 1980	East/West line EAST	County RIO ARRIBA
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# XTO ENERGY INC.

Breech F #133

APD Data

January 5, 2011

Location: 1955' FSL x 1980' FEL Sec 33, T27N, R6W

County: Rio Arriba

State: New Mexico

GREATEST PROJECTED TD: 7650'

OBJECTIVE: Basin Dakota / Tocito / Mesaverde

APPROX GR ELEV: 6577'

Est KB ELEV: 6589' (12' AGL)

## 1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 7650'
HOLE SIZE	12.25"	7.875"	7.875"
MUD TYPE	FW/Spud Mud	LSND	LSND
WEIGHT	8.6-9.0	8.4-8.8	8.6- 9.8
VISCOSITY	28-32	28-32	45-70
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: 8.625" casing to be set at  $\pm 360'$  in a 12.25" hole filled with 9.20 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	ST&C	1370	2950	244	8.097	7.972	7.950	17.13	28.24

Production Casing: 5.5" casing to be set at TD ( $\pm 7650'$ ) in 7.875" hole filled with 9.80 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'-7650	7650'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.04	1.23	1.70

## 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 (or slip-on, weld-on), 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: 8.625", 24.0#, J-55, ST&C casing to be set at  $\pm 360'$  in 12-1/4" hole.

260 sx of Type V cement (or equivalent) typically containing accelerator and LCM, mixed at 15.8 ppg, 1.17 ft<sup>3</sup>/sk, & 5.01 gal wtr/sk.

*Total slurry volume is 297 ft<sup>3</sup>, 100% excess of calculated annular volume to 360'.*

B. Production: 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at  $\pm 7650'$  in 7.875" hole. DV Tools set @  $\pm 6300'$  and @  $\pm 3225'$ .

1<sup>st</sup> Stage

LEAD:

$\pm 65$  sx of Type V (or equivalent) typically containing dispersant, fluid loss additives, accelerator, & LCM mixed at 12.3 ppg, 2.36 ft<sup>3</sup>/sk, 12.95 gal wtr/sx.

TAIL:

100 sx Type V or Class 'G' cement typically containing accelerator, LCM, dispersant, & fluid loss additives mixed at 13.5 ppg, 1.81 cuft/sx, 8.85 gal/sx.

2<sup>nd</sup> Stage

LEAD:

$\pm 240$  sx of Type V (or equivalent) typically containing dispersant, fluid loss additives, accelerator, & LCM mixed at 12.3 ppg, 2.36 ft<sup>3</sup>/sk, 12.95 gal wtr/sx.

TAIL:

100 sx Type V or Class 'G' cement typically containing accelerator, LCM, dispersant, & fluid loss additives mixed at 13.5 ppg, 1.81 cuft/sx, 8.85 gal/sx.

3<sup>rd</sup> Stage:

LEAD:

$\pm 255$  sx of Type V (or equivalent) typically containing dispersant, fluid loss additives, accelerator, & LCM mixed at 12.3 ppg, 2.36 ft<sup>3</sup>/sk, 12.95 gal wtr/sx.

TAIL:

100 sx Type V or Class 'G' cement typically containing accelerator, LCM, dispersant, & fluid loss additives mixed at 13.5 ppg, 1.81 cuft/sx, 8.85 gal/sx.

*Total estimated slurry volume for the 5-1/2" production casing is 1865 ft<sup>3</sup>.*

*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: None.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (7650') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (7650') to +/- 2500'.

6. **FORMATION TOPS:**

Est. KB Elevation: 6589'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Nacimiento	5232	1,357	Gallup	233	6,356
Ojo Alamo SS	4210	2,379	Greenhorn	-574	7,163
Kirtland Shale	4030	2,559	Graneros	-628	7,217
Fruitland Formation	3917	2,672	Dakota 1	-655	7,244
Lower Fruitland Coal	3566	3,023	Dakota 2	-699	7,288
Pictured Cliffs SS	3552	3,037	Dakota 3	-744	7,333
Lewis Shale	3411	3,178	Dakota 4	-780	7,369
Chacra SS	2663	3,926	Dakota 5	-821	7,410
Cliffhouse SS	1872	4,717	Dakota 6	-869	7,458
Menefee	1809	4,780	Burro Canyon	-921	7,510
Point Lookout SS	3552	3,037	Morrison	-981	7,570
Mancos Shale	962	5,627	TD	-1061	7650

\*\*\*\* Maximum anticipated BHP should be <2,500 psig ( <0.30 psi/ft) \*\*\*\*

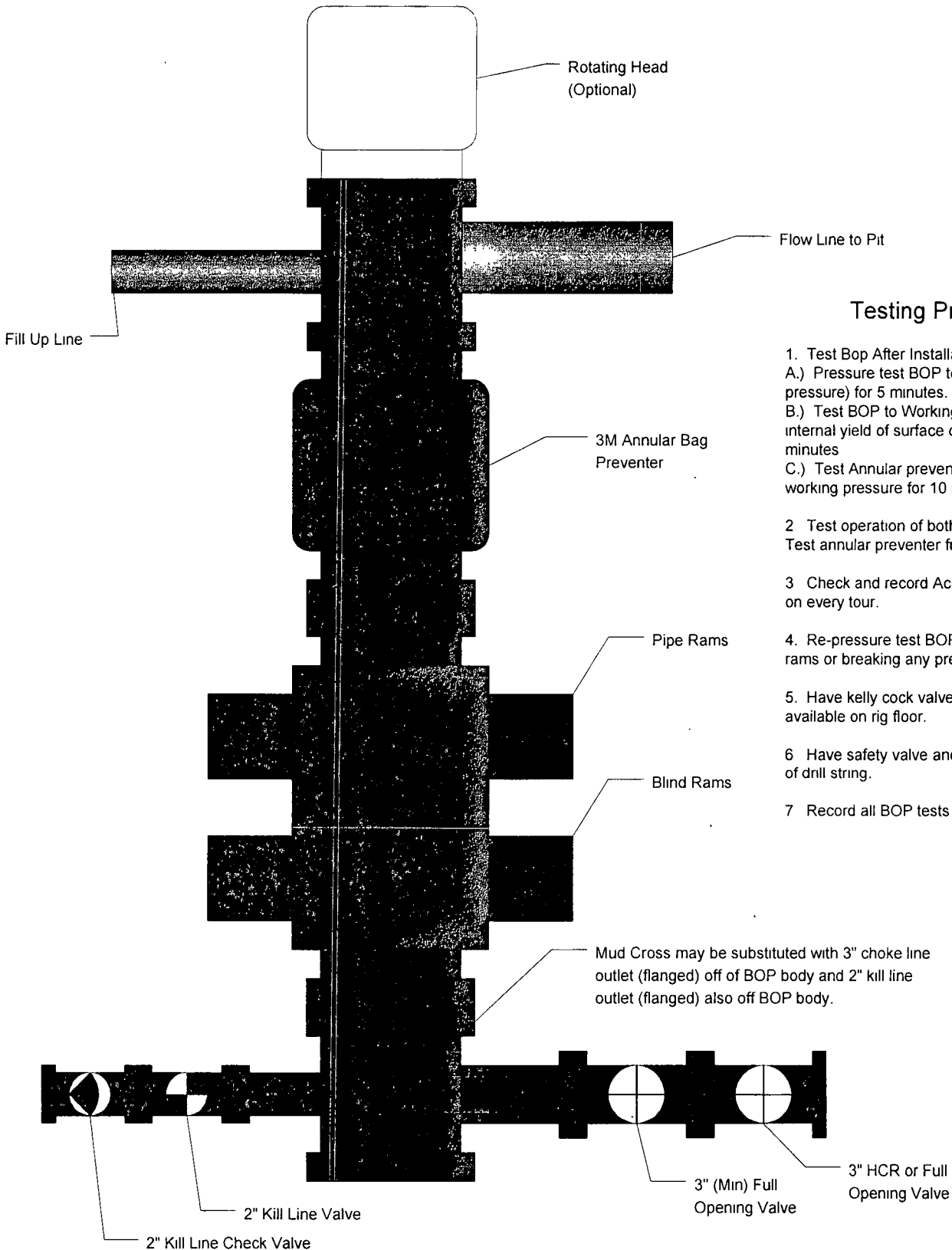
7. **COMPANY PERSONNEL:**

Name	Title	Office Phone	Home Phone
Justin Niederhofer	Drilling Engineer	505-333-3199	505-320-0158
Bobby Jackson	Drilling Superintendent	505-333-3224	505-486-4706
John Klutsch	Project Geologist	817-885-2800	--

JN  
1/5/11

# XTO Energy

3M BOP Stack



## Testing Procedure

1. Test Bop After Installation:
  - A.) Pressure test BOP to 200-300 psig (low pressure) for 5 minutes.
  - B.) Test BOP to Working pressure or 70% internal yield of surface casing for 10 minutes
  - C.) Test Annular preventer to 50% of working pressure for 10 minutes
- 2 Test operation of both rams on each trip. Test annular preventer function weekly.
- 3 Check and record Accumulator pressure on every tour.
4. Re-pressure test BOP after changing rams or breaking any pressure tested seal
5. Have kelly cock valve with handle available on rig floor.
- 6 Have safety valve and subs to fit all sizes of drill string.
- 7 Record all BOP tests in IADC book.



XTO Energy		
3M Choke Manifold		

