

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		2005 NOV 22 PM 3 57	
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		RECEIVED	
2. Name of Operator XTO Energy Inc.		070 FARMINGTON NM	
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM		3b. Phone No. (include area code) 505-324-1090	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 785' ENL x 1960' EEL in Sec 7, T27N, R10W At proposed prod. zone SAME			
14. Distance in miles and direction from nearest town or post office* Approx 8.5 miles Southeast of Bloomfield, NM Post office		12. County or Parish San Juan	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 785'		16. No. of Acres in lease 2080	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 950'		17. Spacing Unit dedicated to this well DK 320 E/2 - MC 160 NE/4	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5951' Ground Elevation		20. BLM/BIA Bond No. on file UTB-000138	
22. Approximate date work will start* winter 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:

- Well plat certified by a registered surveyor.
- A Drilling Plan
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- 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 11/21/05
Title Regulatory Compliance Tech		
Approved by (Signature) Jim Lohs	Name (Printed/Typed) Jim Lohs	Date 12/2/05
Title Acting Field Manager - Minerals	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to these 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)

NMOCB

APD/ROW

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

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

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 Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
RECEIVED
2003 NOV 22 PM 3 57
OTO FARMINGTON NM

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 30-045-33447		*Pool Code 71399		*Pool Name Basin Dakota	
*Property Code 22628		*Property Name P. O. PIPKIN		*Well Number 5F	
*OGUID No. 167067		*Operator Name XTO ENERGY INC.		*Elevation 5951'	

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
B	7	27-N	10-W		785	NORTH	1960	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 812 380.00					*Joint or Infill		*Consolidation Code		*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

16	LOT 1	FD. 2 1/2" B.C. 1913 U.S.G.I.O.	N 89 44 47 W 2641.5' (M)	1960'	17	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Kelly K. Small</i> Printed Name: Kelly K. Small Title: Regulatory Compliance Tech. Date: 8/10/05
LOT 2	LAT. 36°35'41.6" N (NAD 27) LONG. 107°56'02.2" W (NAD 27)	FD. 2 1/2" B.C. 1913 U.S.G.I.O.	S 0-00-37 E 2639.7' (M)		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. Signature: <i>[Signature]</i> Title: REGISTERED PROFESSIONAL SURVEYOR Date: 8/10/05 Certificate Number: 14831
LOT 3						
LOT 4						

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1720 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSOLIDATION 1005 NOV 22 2005
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

RECEIVED
070 FARMINGTON NM AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-33447		2. Pool Code 97232		3. Pool Name WC Basin Mancos	
4. Property Code 22628		5. Property Name P. O. PIPKIN		6. Well Number 51	
7. LEAD No. 167067		8. Operator Name XTO ENERGY INC		9. Elevation 5951'	

10. Surface Location

10. or lot no.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
B	7	27-N	10-W		785	NORTH	1960	EAST	SAN JUAN

11. Bottom Hole Location If Different From Surface

11. or lot no.	Section	Township	Range	Lot 11	Feet from the	North/South line	Feet from the	East/West line	County
12. Dedicated Acres					13. Joint or Unit		14. Consolidation Code		15. Order No.
NE 1/4 160.00									

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

16	LOT 1	FD. 2 1/2" B.C. 1913 U.S.G.L.O.	17	OPERATOR CERTIFICATION	
	LOT 2	LAT. 36°35'41.6" N (NAD 27) LONG. 107°56'02.2" W (NAD 27)		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
	LOT 3	FD. 2 1/2" B.C. 1913 U.S.G.L.O.		Signature: <u>Kelly K. Small</u> Printed Name: <u>Kelly K. Small</u> Title: <u>Regulatory Compliance Tech</u> Date: <u>8/10/05</u>	
	LOT 4	FD. 2 1/2" B.C. 1913 U.S.G.L.O.		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.	
				Date: <u>8/10/05</u> Signature: <u>[Signature]</u> Printed Name: <u>[Name]</u> Title: <u>[Title]</u> Certificate Number: <u>14881</u>	

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

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.)		WELL API NO <u>30-045-33447</u>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <u>XTO Energy Inc.</u>		6. State Oil & Gas Lease No. <u>SF-077875</u>
3. Address of Operator <u>2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401</u>		7. Lease Name or Unit Agreement Name: <u>PO Pipkin</u>
4. Well Location Unit Letter <u>B</u> : <u>785</u> feet from the <u>North</u> line and <u>1960</u> feet from the <u>East</u> line Section <u>7</u> Township <u>27N</u> Range <u>10W</u> NMPM <u>NMEM</u> County <u>SAN JUAN</u>		8. Well Number <u>#5F</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>5951' Ground Elevation</u>		9. OGRID Number <u>167067</u>
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type <u>DRILL</u> Depth to Groundwater <u>>100</u> Distance from nearest fresh water well <u>>1000</u> Distance from nearest surface water <u>>200</u>		
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u>8000</u> bbls; Construction Material		

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <u>PIT</u> <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input 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.

XTO Energy intends to install a pit on location for drilling.

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 11/21/05
E-mail address: kyla_vanughan@xtoenergy.com
Type or print name Kyla Vaughan Telephone No. 505-564-6726

For State Use Only

APPROVED BY [Signature] DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE DEC 05 2005
Conditions of Approval, if any: TITLE _____ DATE _____

EXHIBIT D

XTO ENERGY INC.

PO Pipkin #5F

APD Data

November 21, 2005

Location: 785' FNL x 1960' FEL Sec 7, T27N, R10W

County: San Juan

State: New Mexico

GREATEST PROJECTED TD: 6800'
APPROX GR ELEV: 5951'

OBJECTIVE: Basin Dakota / Basin Mancos
Est KB ELEV: 5963' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 6800
HOLE SIZE	12.25"	7.875"	7.875"
MUD TYPE	FW/Spud Mud	FW/Polymer	LSND / Gel Chemical
WEIGHT	8.6-9.0	8.4-8.8	8.6- 9.20
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: 8.625" casing to be set at \pm 360' in a 12-1/4" 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 6800') in 7-7/8" 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'-6800	6800'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.24	1.48	1.92

3. WELLHEAD:

- 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.
- 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.

EXHIBIT F

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.

214 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: 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at $\pm 6800'$ in 7.875" hole.

LEAD:

± 706 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.

Total estimated slurry volume for the 5-1/2" production casing is 1649 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 2,900' 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 (6800') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (6800') to 3,000'.

EXHIBIT F

6. FORMATION TOPS:

Est. KB Elevation: 5963'

FORMATION	Sub-Sea Elev.	WELL DEPTH	FORMATION	Sub-Sea Elev.	WELL DEPTH
Ojo Alamo SS	5198	765	Gallup Ss**	646	5,317
Kirtland Shale	5075	888	Greenhorn Ls	-150	6,113
Farmington SS			Graneros Sh	-209	6,172
Fruitland Formation	4614	1,349	1 ST Dakota Ss*	-239	6,202
Lower Fruitland Coal			2 ND Dakota Ss*	-266	6,229
Pictured Cliffs SS	4180	1,783	3 RD Dakota Ss*	-316	6,279
Lewis Shale	4027	1,936	4 TH Dakota Ss*	-376	6,339
Chacra SS	3275	2,688	5 TH Dakota Ss*	-410	6,373
Cliffhouse SS	2666	3,297	6 TH Dakota Ss*	-468	6,431
Menefee	2530	3,433	Burro Canyon Ss*	-519	6,482
Point Lookout SS	1832	4,131	Morrison Fm	-571	6,534
Mancos Shale	1483	4,480	Total Depth	-837	6,800

* Primary Objective

** Secondary Objective

**** Maximum anticipated BHP should be <2,000 psig (<0.30 psi/ft) *****

7. COMPANY PERSONNEL:

Name	Title	Office Phone	Home Phone
Jeff Patton	Drilling Engineer	505-324-1090	505-632-7882
John Egelston	Drilling Engineer	505-564-6734	505-330-6902
Dennis Elrod	Drilling foreman	505-486-6460	505-326-2024
Red Meek	Project Geologist	817-885-2800	817-427-2475
Barry Voigt	Reservoir Engineer	817-885-2462	817-540-2092

JWP

11/21/05

EXHIBIT F

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

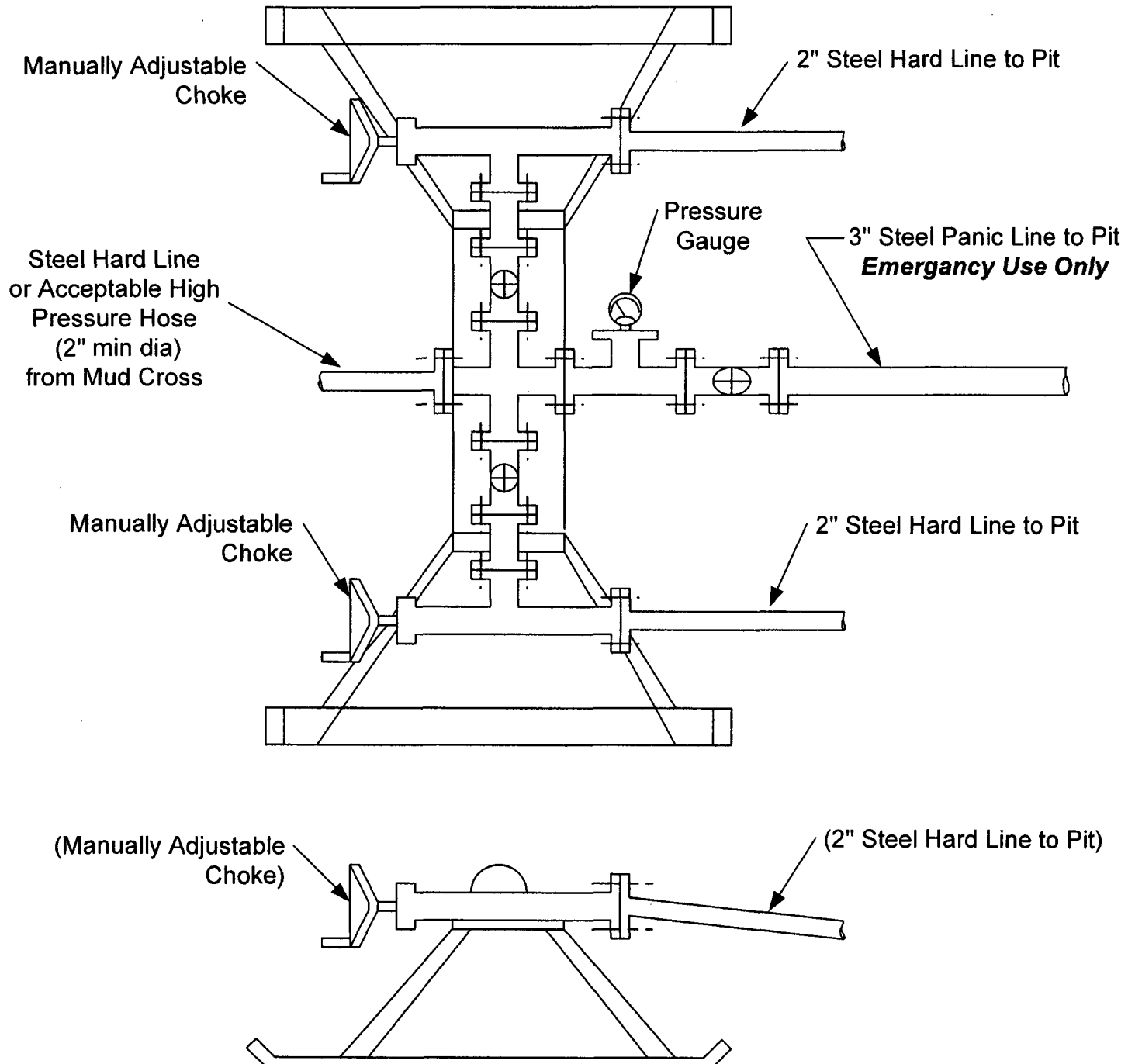
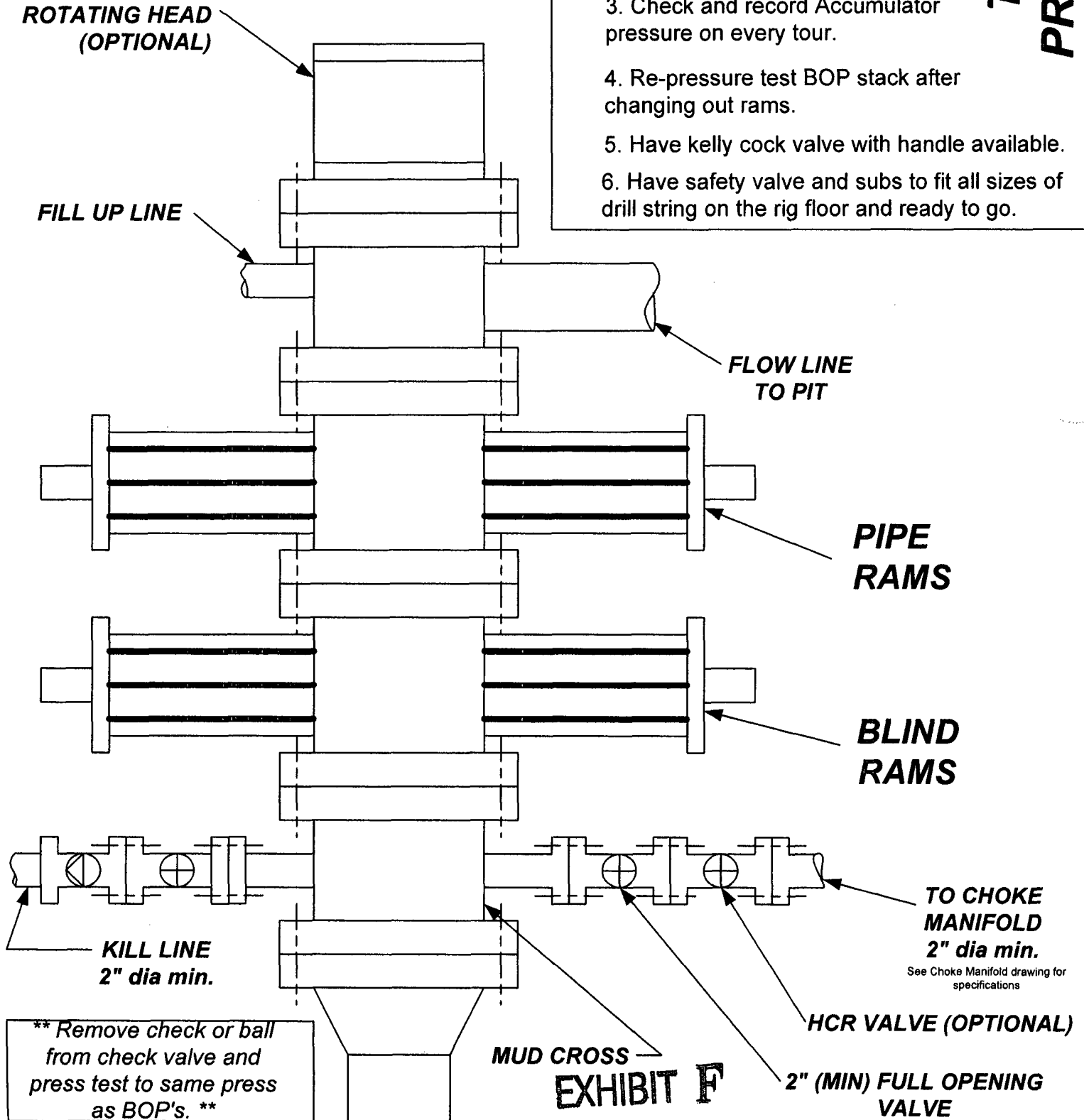


EXHIBIT F

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

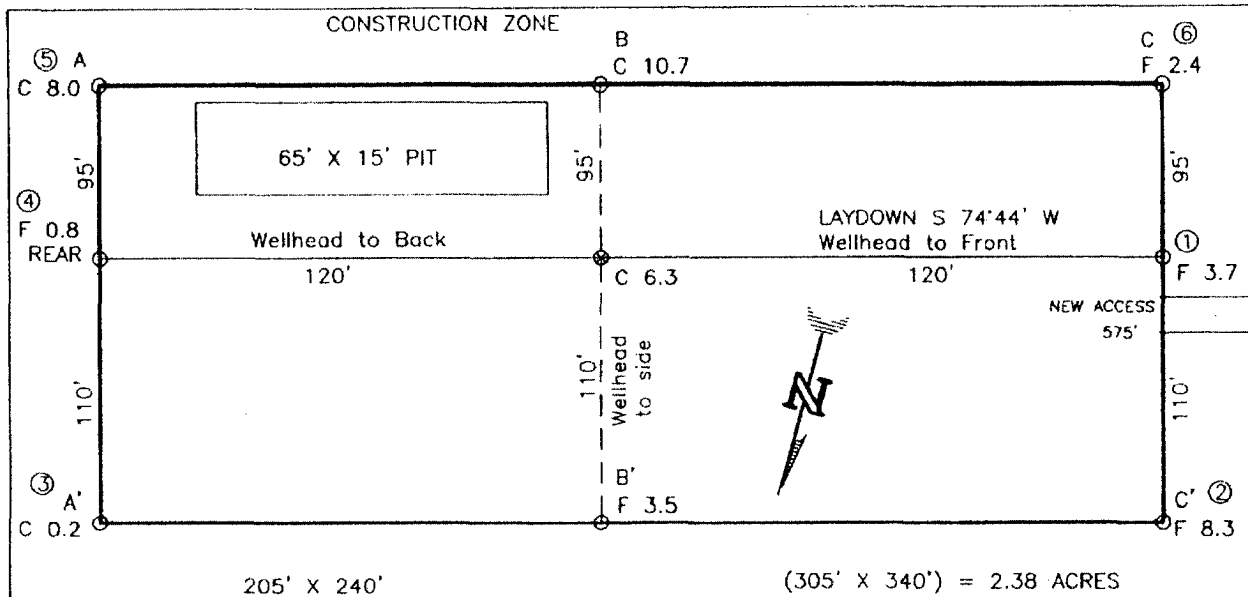
TESTING PROCEDURE

1. Test BOP after installation:
Pressure test BOP to 200-300 psig (low pressure) for ~~5~~¹⁰ 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.



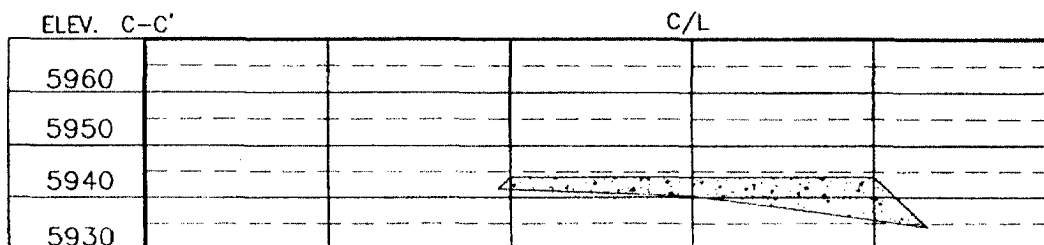
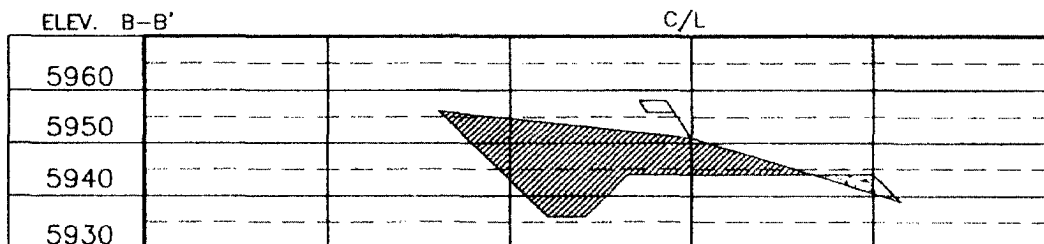
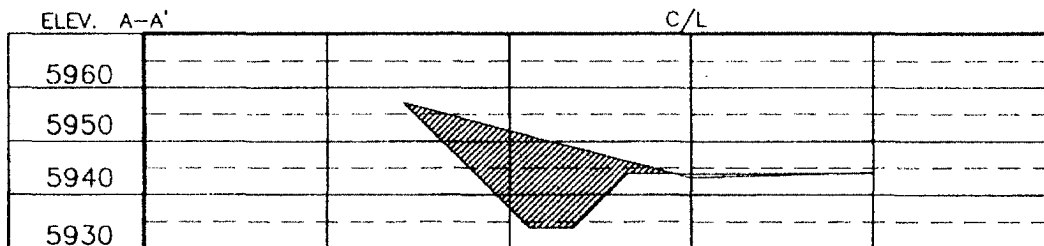
XTO ENERGY INC.
P O PIPKEN No.5F, 785 FNL 1960 FEL
SECTION 7, T27N, R10W, N.M.P.M., SAN JUAN COUNTY, N. M.
GROUND ELEVATION: 5951' DATE: MAY 16, 2005

LAT. = 36°35'41.6" N.
LONG. = 107°56'02.2" 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:	DESIGNED BY:	Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO L.S. No. 14831 CADD FILE: CR415CFB DATE: 05/19/05
DRAWN BY: B.L.			
NO. CR415			