

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. JIC-154	
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		6. If Indian, Allottee or Tribe Name JICARILLA APACHE	
2. Name of Operator XTO Energy Inc.		7. Unit or CA Agreement Name and No. 12	
3a. Address 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM		8. Lease Name and Well No. JICARILLA APACHE #14F	
3b. Phone No. (include area code) 505-324-1090		9. API Well No. 30-039-29659	
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface 950' ENL x 1105' FWL At proposed prod. zone		10. Field and Pool, or Exploratory BASIN DAKOTA/BLANCO MESAVERDE	
14. Distance in miles and direction from nearest town or post office* Approx 71 miles from Bloomfield, NM Post Office		11. Sec., T., R., M., or Blk. and Survey or Area 0 SEC 34, T26N, R5W	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) Approx 4206'		12. County or Parish RIO ARriba	
16. No. of Acres in lease 2560		13. State NM	
17. Spacing Unit dedicated to this well 320 W/2		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx 200'	
19. Proposed Depth 7610'		20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6553' GROUND ELEVATION		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:

- | | |
|---|--|
| 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. |

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

25. Signature <i>Kyle Vaughan</i>	Name (Printed/Typed) Kyla Vaughan	Date 09/14/05
Title Regulatory Compliance Tech		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 1/6/06
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)

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
1825 N. French Dr., Hobbs, N.M. 88240

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

DISTRICT III
1000 Rio Grande 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 14
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 30-049-29059	² Pool Code 71599	³ Pool Name Bazin Dakota
⁴ Property Code 30320	⁵ Property Name JICARILLA APACHE	⁶ Well Number 14F
⁷ OCRD No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 6553

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
D	34	26-N	5-W		950	NORTH	1105	WEST	RIO ARriba

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 W/2 320			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

<p>16</p> <p>CALC'D COR. BY PROJECTION</p> <p>950'</p> <p>1105'</p> <p>S 89-55-36 E 5311.5' (C)</p> <p>LAT: 36°26'52.0" N. (NAD 27) LONG: 107°21'03.9" W. (NAD 27)</p> <p>S 00-17-47 W 5196.0' (C)</p> <p>34</p> <p>CALC'D COR. BY SINGLE PROP.</p>	<p>17</p> <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kelly K. Small</i> Kelly K. Small Drilling Assistant Date: 5/19/05</p>	<p>18</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>MARCH 2 2006 Date of Survey Signature: <i>[Signature]</i> NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 14831 Certificate Number</p>

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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

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Fee Lease - 3 Copies

RECEIVED

☐ AMENDED REPORT

070 FARMINGTON NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-29059		*Pool Code 72319	*Pool Name Blanco Mesaverde
*Property Code 30320	*Property Name JICARILLA APACHE		*Well Number 14F
*OGRI No. 107067	*Operator Name XTO ENERGY INC.		*Elevation 6553

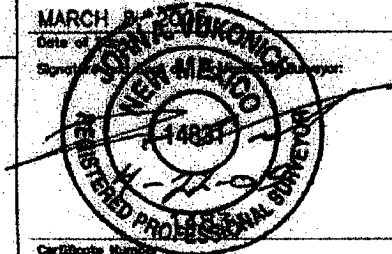
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	34	28-N	5-W		950	NORTH	1105	WEST	RIO ARriba

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 w/2 320		*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

15. CALC'D COR. BY PROJECTION		S 89-55-36 E 5311.5' (C)		17. OPERATOR CERTIFICATION	
1105'		LAT: 36°28'52.0" N. (NAD 27) LONG: 107°21'03.9" W. (NAD 27)		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
S 00-17-47 W 5196.0' (C)		34		Kelly K. Small Drilling Assistant Date: 5/19/05	
CALC'D COR. BY SINGLE PROP.				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.	
				MARCH 2, 2005 Date of Survey	
				Signature: 	
				Certificate Number: 1488	

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. <u>30-039-291659</u>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. JIC-154
7. Lease Name or Unit Agreement Name: JICARTILLA APACHE
8. Well Number #14F
9. OGRID Number 167067
10. Pool name or Wildcat BASIN DAKOTA/BLANCO MESAVERDE

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> 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 <u>D</u> : <u>950</u> feet from the <u>NORTH</u> line and <u>1105</u> feet from the <u>WEST</u> line Section <u>34</u> Township <u>26N</u> Range <u>5W</u> NMPM County <u>SAN JUAN</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6553'
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>>1000'</u> Pit Liner Thickness: <u>12</u> 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: PIT FOR NEW DRILL ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

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 Inc. plans to install a pit on location for drilling. The pit will be removed from location in accordance with New Mexico Oil Conservation division guidelines when work is completed.

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 Ryla Vaughan TITLE REGULATORY COMPLIANCE TECH DATE 09/14/05

Type or print name Ryla Vaughan E-mail address: _____ Telephone No. 505-564-6726

For State Use Only

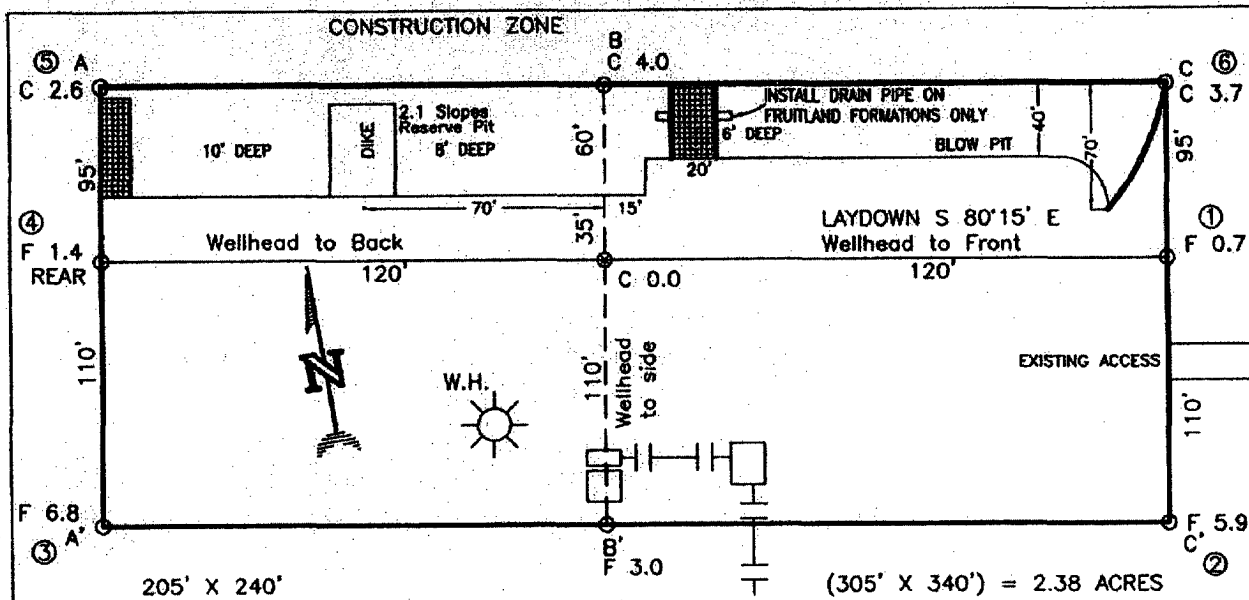
APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. # DATE JAN 11 2006

Conditions of Approval, if any:

EXHIBIT D

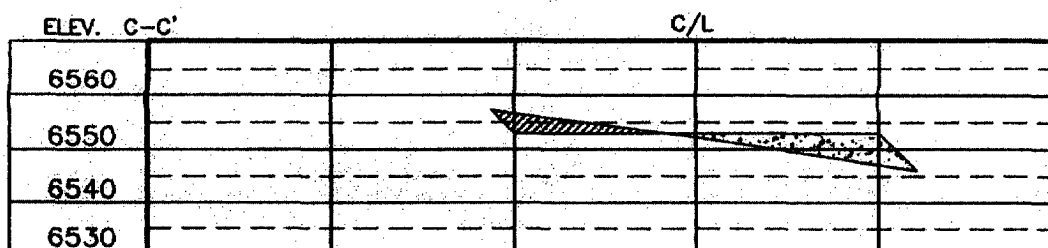
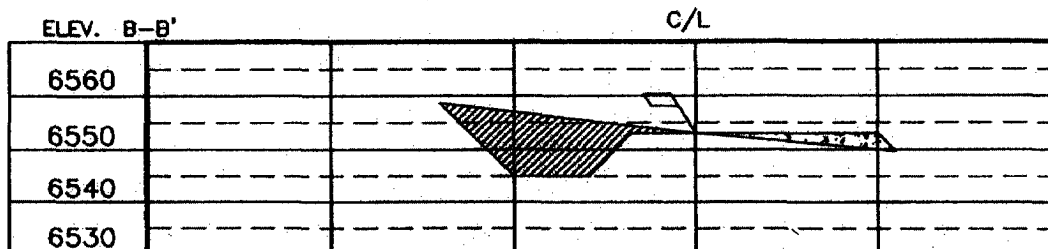
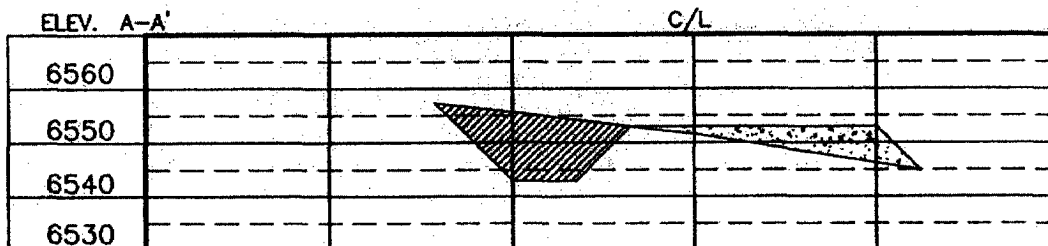
XTO ENERGY INC.
 JICARILLA APACHE No. 14F, 950' FNL 1105' FWL
 SECTION 34, T26N, R5W, N.M.P.M., RIO ARRIBA COUNTY, N. M.
 GROUND ELEVATION: 6553', DATE: MARCH 8, 2005

LAT. = 36°26'52.0" N.
 LONG. = 107°21'03.9" W
 MAD 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	REVISION	DAGGETT ENTERPRISES, INC. Surveying and Oil Field Services P. O. Box 15088 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-8019 NEW MEXICO P.L.S. No. 14831	DATE 04/21/05

EXHIBIT E

XTO ENERGY INC.

Jicarilla Apache #14F

APD Data

September 7, 2005

Location: 950' FNL x 950' FWL Sec 34, T26N, R5W

County: San Juan

State: New Mexico

GREATEST PROJECTED TD: 7610'

OBJECTIVE: Basin Dakota / Blanco Mesaverde

APPROX GR ELEV: 6553'

Est KB ELEV: 6565' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 7610
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 ($\pm 7610'$) 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'-7610	7610'	17.0#	J-55	LT&C	4910	5320	247	4.892	4.767	1.35	1.46	1.91

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", 17.0#, J-55 (or K-55), LT&C casing to be set at $\pm 7610'$ in 7.875" hole. DV Tool set @ $\pm 4600'$

1st Stage

LEAD:

± 248 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:

± 388 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 1856 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 (7610') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (7610') to 3,000'.

6. FORMATION TOPS:

Est. KB Elevation: 6565'

FORMATION	Sub-Sea Elev.	WELL DEPTH	FORMATION	Sub-Sea Elev.	WELL DEPTH
Ojo Alamo SS	4194	2,371	Gallup Ss	393	6,172
Kirtland Shale	4024	2,541	Greenhorn Ls	-457	7,022
Farmington SS			Graneros Sh	-506	7,071
Fruitland Formation	3928	2,637	1 ST Dakota Ss*	-535	7,100
Lower Fruitland Coal	3719	2,846	2 ND Dakota Ss*	-563	7,128
Pictured Cliffs SS	3661	2,904	3 RD Dakota Ss*	-627	7,192
Lewis Shale	3466	3,099	4 TH Dakota Ss*	-669	7,234
Chacra SS	2757	3,808	5 TH Dakota Ss*	-700	7,265
Cliffhouse SS	2013	4,552	6 TH Dakota Ss*	-753	7,318
Menefee	1955	4,610	Burro Canyon Ss*	-784	7,349
Point Lookout SS**	1434	5,131	Morrison Fm**	-892	7,457
Mancos Shale	1091	5,474	Total Depth	-1045	7,610

* 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
9/7/05

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 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.

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)

2" (MIN) FULL OPENING
VALVE

MUD CROSS

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

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

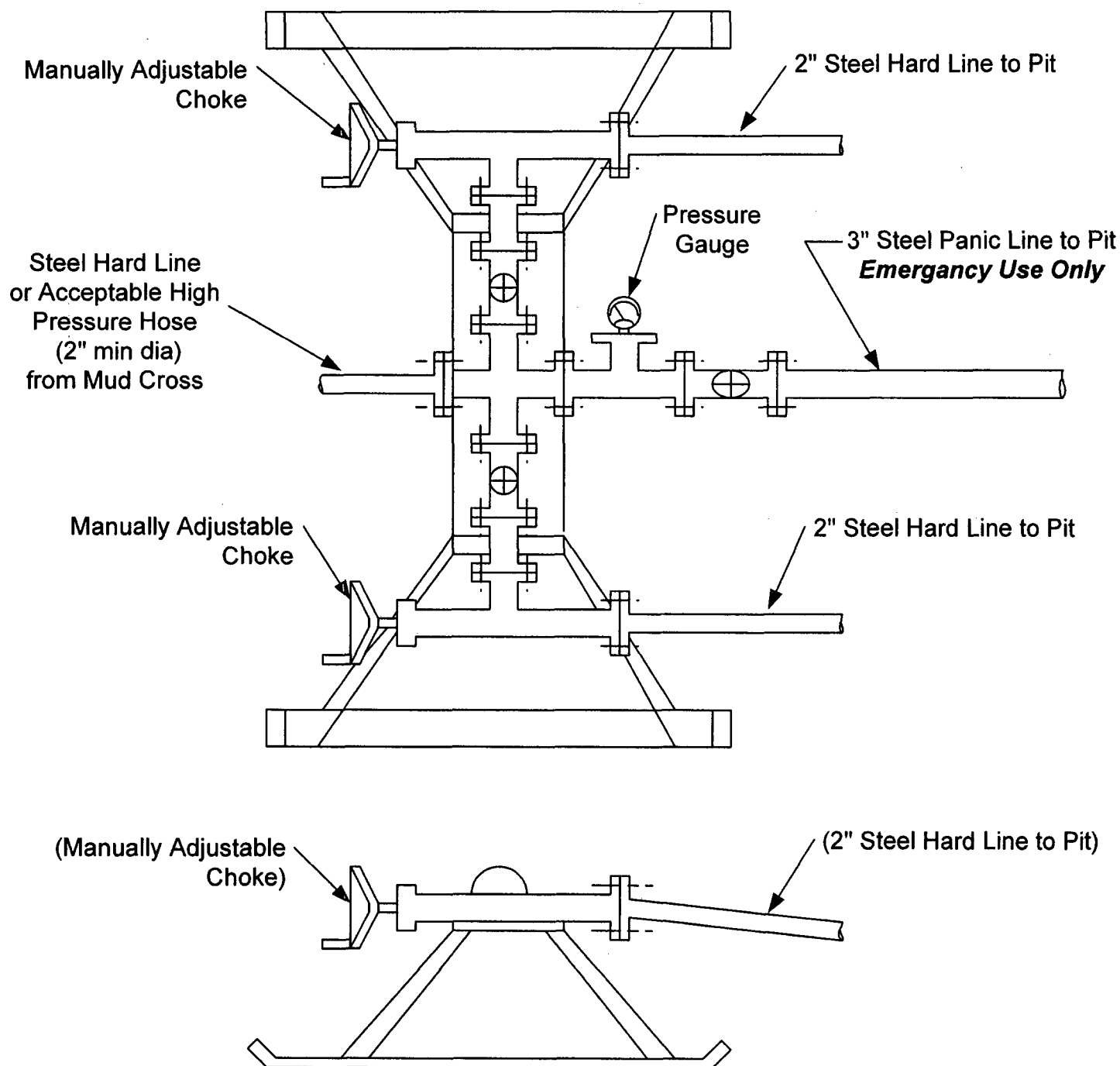


EXHIBIT F