. F
Form 3160-3
(April 2004)
V

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

V	-	OUTHO OL THIND	MITOTOLIM	411			
	APPLICAT	ION FOR PERMIT	TO DRILL	OR REENTER	1	Lease Serial No. JIC-154	
a. Type of Work	x D	RII I	REENTE	R	6.1	If Indian, Allotee o	r Tribe Name
71	IXI D	Kul		" 2005 SEP 14 PM	1 81	JICARILLA AF	ACHE
b. Type of Well	Oil Well	🗶 Gas Well 📗	Other [Single Zone Multiple Zon	e 7.1	Unit or CA Agreen	
Name of Operato				OTO FARMINGTO	3 M (4 24)	Lease Name and W	
. Address				3b. Phone No. (include area co		JICARILIA AF	
		dq. K. Ste 1 Fa					-29654
_	00' FNL x 70	*	e win any blas	o equitements)	L.		/BLANCO MESAVER
At proposed prod	. zone				1.	SEC 33, T26	Blk. and Survey or Are
4. Distance in miles	and direction from	nearest town or post offi	ice*			County or Parish	13. State
	Approx	71 miles from B	loomfield,	NM Post Office	RI	O ARRIBA	NM
5. Distance from pr location to neare				16. No. of Acres in lease	17.Spacin	g Unit dedicated to	this well
property or lease (Also to nearest	line, ft. drg. unit line, if any	Approx 3196'		2560		320 E/2	
B. Distance from pr to nearest well, d	oposed location* brilling, completed,			19. Proposed Depth	20. BLM/	BIA Bond No. on	file
applied for, on th	nis lease, ft.	Арргож 1075	•	7620 '			
l. Elevations (Show	whether DF, KDB	, RT, GL, etc.		22. Approximate date work will star	rt*	23. Estimated dur	ation
6554' GRC	UND ELEVATIO	N		WINTER 2005		2	WEEKS
Well plat certific A Drilling Plan A Surface Use P	d by a registered so lan (if the location	•	stem Lands, the	4. Bond to cover the operatiftem 20 above). 5. Operator certification. 6. Such other site specific in authorized officer.	ions unless	covered by an exis	•
5. Signuature	101		N	Tame (Printed/Typed)		Date	
<u>*</u>	ylal	rushan) 1	Kyla Vaughan			09/14/05
itle Perul atom	Compliance	March .					
pproved by (Signar		n leo lice	N	ame (Printed/Typed)		Date	6/86
itle	7776	SEN	0	Office FT-1		 /	
Application approval onduct operations the Conditions of approv	nereon.	•	cant holds lega	Il or equitable title to those rights in	the subject	lease which would	l entitle the applicant to
				e for any person knowlingly and willfumatter within its jurisdiction.	illy to make	e to any departmen	or agency of the Unite
Instructions on pag	gė 2)			1177376			
mark and	otion is subject to	rechnical and	5678	JAN 2008 JECEIVED CONS. DIV.	N.	MOCD	
This as proces and a	dural review pursu opeal pursuant to	ant to 43 CFR 3165.5 43 CFR 3165.4	12 OM	DIST. 8	ADULUNG O	PERATIONS AUTH	ORIZED ARE

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

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised June 10, 2003

OIL CONSERVATION DIMISION 14
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office State Lease — 4 Copies Fee Lease — 3 Copies

DISTRICT III. 1000 Rio Brazos Rd., Astec, N.M. 97410

RECEIVED

15 Order No.

070 FARMINGTON HM - AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-03	Humber 39-6	1965	171	599	7	Jasin P	Pool Name	<u>ر</u>		
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3032 'OGRED No.	and the second second				JICARILLA A	<u> </u>		ana i giri	12G Bievation	7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
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					10 Surface	Location			* 11.4	
User lot no. H	Section 33	Township 26-N	Range 5-W	Lot idn	Peet from the 2000	North/South line NORTH	Feet from the 700	East/West II EAST	1	County ARRIBA
			11 Bott	om Hole	Location 1	lf Different Fro	m Surface			
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Peet from the	East/West 1	ine	County

W Consolidation Code

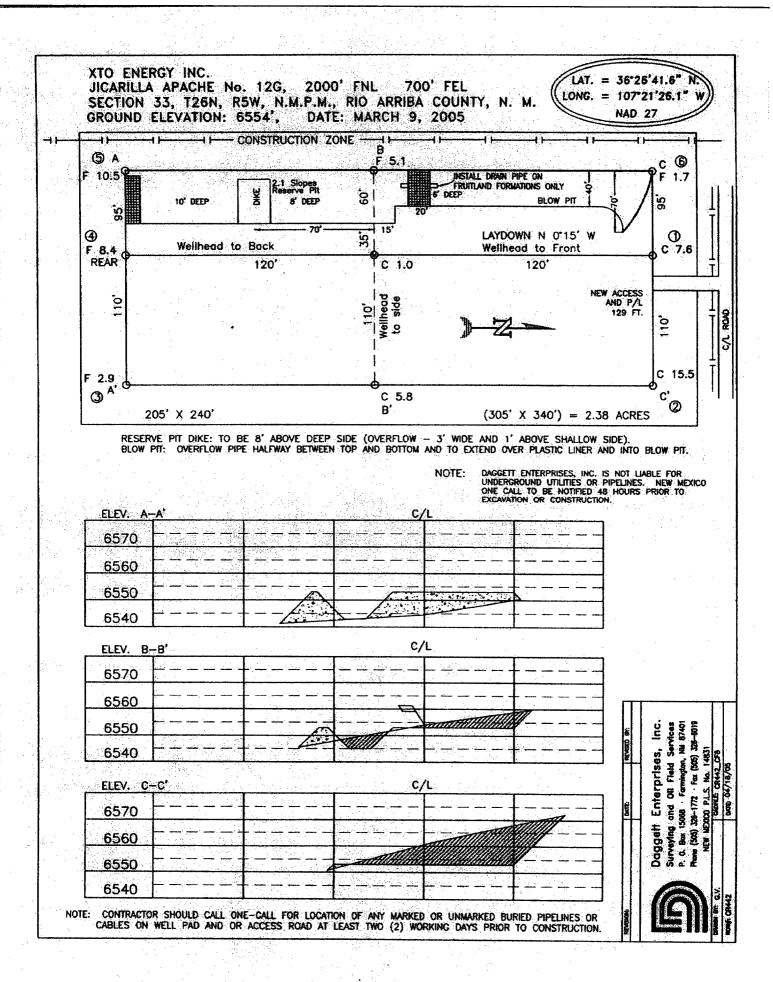
is Joint or hifill

NO ALLOWABLE	WILL BE ASSIGNED TO THIS COMPLETIC OR A NON-STANDARD UNIT HAS BE		
CALC'D. CORNER BY PROJECTION	N 89-55-36 W 5309.6' (C)	CALC'D. CORNER BY PROJECTION	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and bellef.
		2000,	Steph Small
	LAT: 36'26'41.6" N (MAD LONG: 107'21'26.1" W (NAD	27) 27) 7001	Kelly K. Small Drilling Assistant Date: 5/19/6-5
	33		
		00-17-47 W 51960° (C)	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this ple toas plotted from field notes of actual surveys made by me or under my supervision, and that the same to true and correct to the legit of my belief.
		, s	VUKQVQ
		CALC'D. COGNED	74831
		CALC'D. CORNER BY SINGLE PROP.	Certificate Spaces

	W. 88240	Rnecov.	Minerals & Natural	ew Mexico Resources Departm	ent of	Revised June 10, 2003
DESTRICT II 1301 W. Grand Ave., Artesia, N	M. 88210	OIL	CONSERVAT	noisivite don	Submit to	Appropriate District Office State Lease - 4 Copies
DISTRICT III 1000 Rio Brazos Rd., Aztec, N	М. 87410		1220 South S Santa Fe,	NM 87505 REC		Fee Lease - 3 Copies
DISTRICT IV	anta Fe. Nid 87	505		OTO FARM	INGTON HIM	☐ AMENDED REPORT
			TION AND A	CREAGE DE	DICATION PLAT	•
API Number		Pool	Code	91000	Pool Name	
Property Code	7654	793		ty Hame	s Mesava	Well Number
30320				APACHE	anderska fra de state i de state George fra 1885	12G
OGRID No.				ior Name		Bievation
107067				ERGY INC.		6554
			and the second s	ce Location		David Arriva Name
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	نتر المستنشق	1 Bottom	Hole Location	n If Different	From Surface	
UL or lot no. Section			Idn Peet from U			East/West line County
2 Dedicated Acres	D	Joint or Infili	³⁶ Consolidati	on Code	¹⁵ Order No.	
812 320						
NO ALLOWABLE WI	LL BE AS	SIGNED TO	THIS COMPLI	STION UNTIL A	L INTERESTS HAV	E BEEN CONSOLIDATED
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CALC'D. CORNER BY PROJECTION		N 89-55-	36 W	CALC'D.	CORNER 17 OPI	RATOR CERTIFICATION
B) FROMECTION	•	5309.6	(c)		I haveby cartly	y that the information contained herein
					to true and co	replete to the best of my knowledge and
						. n
				2000,	Dell	y k male
	· · · · · · · · · · · · · · · · · · ·		/	+	Signature	
					Kelly K. Sm Drilling Ass	
					Date: 5/19	5127
				/ I	1 55.0.0/1-7	405
		LAT: 36' LONG: 107'	26'41.6" N (M 21'26.1" W (N	(D 27) (D 27)		405
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		LAT: 36' ONG: 107		A TOTAL OF THE PARTY OF THE PAR	7989 ≥ 18 SUF	EVEYOR CERTIFICATION that the well location shown on this plat a field notes of actual surveys made by approvision, and that the same is true
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Submit 3 Copies To Appropriate District Office Energy, Minerals and Natu	
District I 1625 N. French Dr., Hobbs, NM 87240	WELL ADINO
District II OII CONSERVATIO	N DIVISION 30-039-29654
1301 W. Grand Ave., Artesia, NM 88210 District III 1220 South St. Fr	ancis Dr. 5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 8	STATE FEE
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	6. State Oil & Gas Lease No. JIC-154
SUNDRY NOTICES AND REPORTS ON WE (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-1)	OR PLUG BACK TO A TICARTITA ADACSIE
PROPOSALS.) 1. Type of Well:	8. Well Number
Oil Well Gas Well 🗷 Other	#12G
2. Name of Operator	9. OGRID Number
XIO Energy Inc.	167067
3. Address of Operator	10. Pool name or Wildcat
2700 Farmington Ave., Bldg. K. Ste 1 Farmington, N	M 87401 BASIN DAKOTA/BLANCO MESAVERDE
4. Well Location	
Unit Letter H : 2000 feet from the NC	RTH line and 700 feet from the EAST line
Section 33 Township 26N	Range 5w NMPM County SAN JUAN
11. Elevation (Show whether	DR, RKB, RT, GR, etc.)
Pit or Below-grade Tank Application X or Closure	>200'(1000'
Pit typeDRILL Depth to Groundwater>100 '_ Distance from nearest free	
Pit Liner Thickness: 12 mil Below-Grade Tank: Volume	bhls; Construction Material
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON	Nature of Notice, Report, or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING
TEMPORARILY ABANDON	COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
PULL OR ALTER CASING MULTIPLE COMPLETION	CASING TEST AND CEMENT JOB
OTHER: PIT FOR NEW DRILL	OTHER:
 Describe proposed or completed operations. (Clearly state all per of starting any proposed work). SEE RULE 1103. For Multiple or recompletion. 	ertinent details, and give pertinent dates, including estimated date le Completions: Attach wellbore diagram of proposed completion
XTO Energy Inc. plans to install a pit on location in accordance with New Mexico Oil Conservation div	for drilling. The pit will be removed from location ision guidelines when work is completed.
I hereby certify that the information above is true and complete to the grade tank has been/will be constructed by closed according to NMOCD guidelin	best of my knowledge and belief. I further certify that any pit or below-
	TLE REGULATORY COMPLIANCE TECH DATE 09/14/05
11	mail address: Telephone No. 505-564-6726
For State Use Only	. IAN 1 0 0000
	EPUTY OIL & GAS INSPECTOR, DIST. # JAN 1 2 2006
APPROVED BYTT	TLEDATE

EXHIBIT D FXHIBIT



XTO ENERGY INC.

Jicarilla Apache #12G **APD Data** September 7, 2005

Location: 2000' FNL x 700' FEL Sec 33, T26N, R5W

County: San Juan

State: New Mexico

GREATEST PROJECTED TD: 7620'

OBJECTIVE: Basin Dakota / Blanco Mesaverde

Est KB ELEV: <u>6566' (12' AGL)</u>

1. **MUD PROGRAM:**

APPROX GR ELEV: 6554'

INTERVAL	0' to 360'	360' to 2500'	2500' to 7620
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.

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 7620') 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'-7620	7620'	17.0#	J-55	LT&C	4910	5320	247	4.892	4.767	1.35	1.46	1.91

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

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. <u>Production:</u> 5.5", 17.0#, J-55 (or K-55), LT&C casing to be set at \pm 7620' in 7.875" hole. DV Tool set @ \pm 4575'

1st Stage

LEAD:

±253 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:

 \pm 386 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 1858 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 (7620') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (7620') to 3,000'.

FORMATION TOPS:

Est. KB Elevation: 6566'

FORMATION	Sub-Sea Elev.	WELL DEPTH	FORMATION	Sub-Sea Elev.	WELL DEPTH
Ojo Alamo SS	4207	2,359	Gallup Ss	425	6,141
Kirtland Shale	4067	2,499	Greenhorn Ls	-435	7,001
Farmington SS			Graneros Sh	-489	7,055
Fruitland Formation	3961	2,605	1 ST Dakota Ss*	-515	7,081
Lower Fruitland Coal	3763	2,803	2 ND Dakota Ss*	-536	7,102
Pictured Cliffs SS	3687	2,879	3 RD Dakota Ss*	-611	7,177
Lewis Shale	3489	3,077	4 TH Dakota Ss*	-649	7,215
Chacra SS	2794	3,772	5 TH Dakota Ss*	-683	7,249
Cliffhouse SS	2027	4,539	6 TH Dakota Ss*	-734	7,300
Menefee	1981	4,585	Burro Canyon Ss*	-764	7,330
Point Lookout SS**	1460	5,106	Morrison Fm**	-870	7,436
Mancos Shale	1118	5,448	Total Depth	-1054	7,620

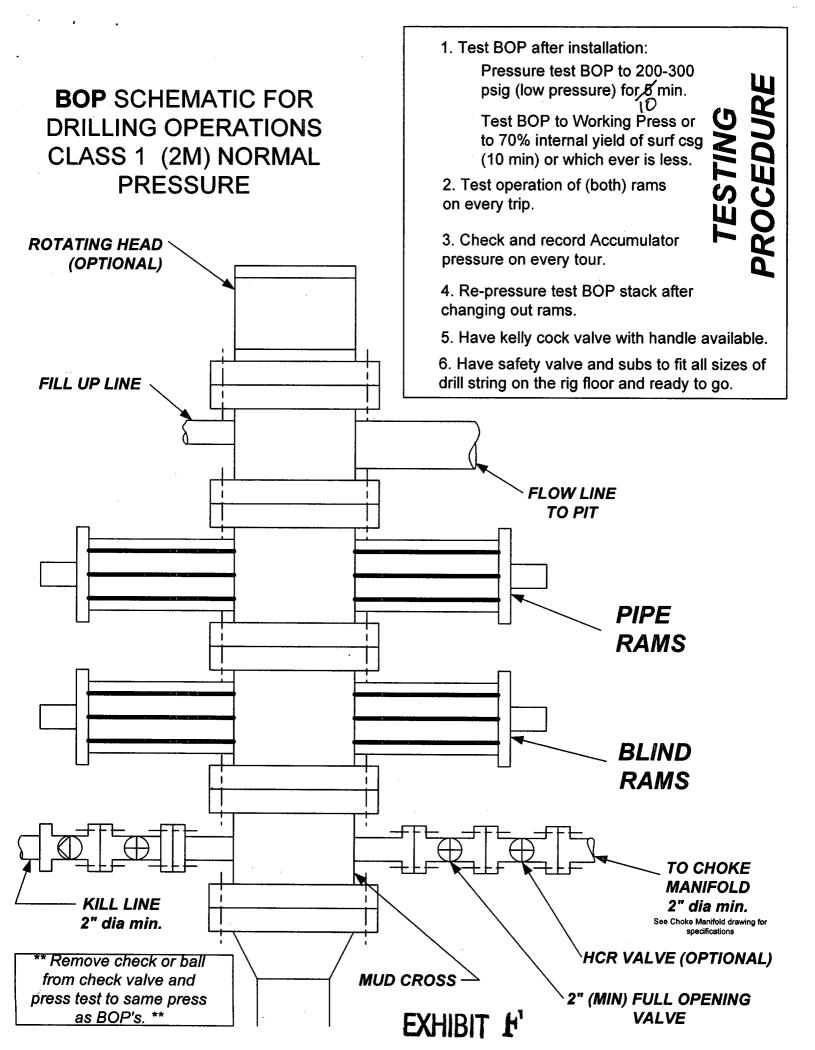
7. **COMPANY PERSONNEL:**

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

^{*} Primary Objective ** Secondary Objective

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



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

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

TESTING PROCEDURE

