

SEP 2006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED

OMB NO. 1004-0136

Expires: January 31, 2004

MAY 15 AM 11:40
RECEIVED
0101

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
San Juan Division, 2700 Farmington Ave., Build K, Suite
1, Farmington, NM 87401
3b. Phone No. (include area code)
(505) 324-1090

Location of well (Report location clearly and in accordance with any State requirements. *)
At surface
1550' FSL, 1900' FWL, Lat: 36° 23' 00.8" N, Long: 107° 53' 09.2" W
At proposed prod. zone


14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
From US Hwy 550 at Huerfano Trading Post go West for 2.6 miles. Turn South and go 0.25 miles. Turn East on
existing lease road.

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any)	1550'	16. No. of Acres in lease	160	17. Spacing Unit dedicated to this well	S 1/2, 320 Acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	N/A	19. Proposed Depth	6650'	20. BLM/ BIA Bond No. on file	BIA Blanket Bond No. 104312789
21. Elevations (Show whether DF, RT, GR, etc.)	6602'	22. Aproximate date work will start*	1-Jul-06	23. Estimated Duration	2 Weeks

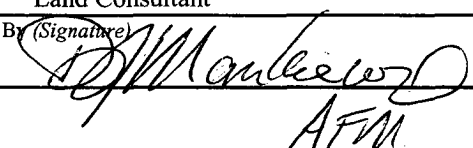
24. Attachments

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 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 a authorized officer. |

25. Signature  Name (Printed/ Typed) Juan E. Betoni Date 4-20-06

Title Land Consultant

Approved By (Signature)  Name (Printed/ Typed) AFM Date 9/1/06
Title AFM Office PPO

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 c 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 Unite States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* (Instructions on reverse) is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

NMOCD

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

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

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-33743	² Pool Code 71599	³ Pool Name DAKOTA
⁴ Property Code 35976	⁵ Property Name IRISH	⁶ Well Number 1E
⁷ OGRID No. 197035 167067	⁸ Operator Name XTO ENERGY INC	⁹ Elevation 6602

¹⁰ Surface Location

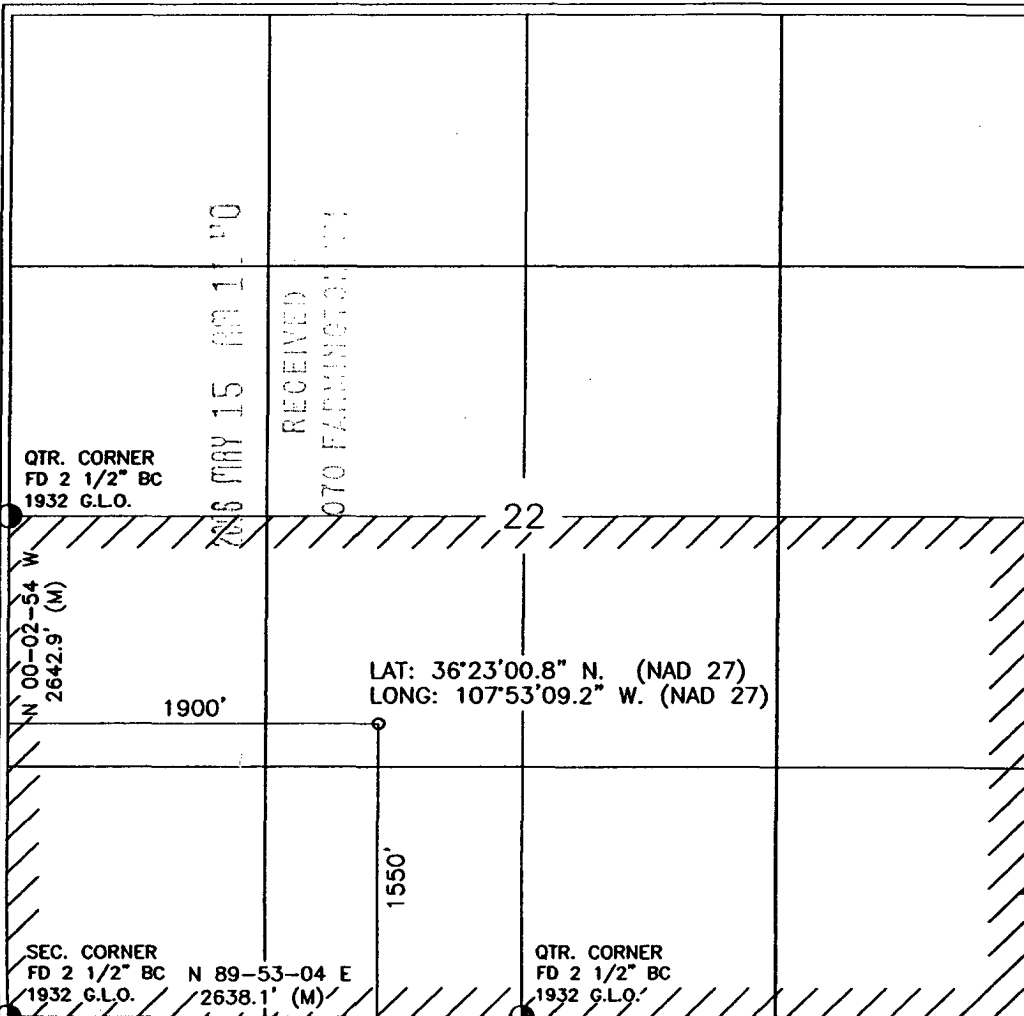
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	22	25-N	10-W		1550	SOUTH	1900	WEST	SAN JUAN

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
¹² Dedicated Acres S1/2, 320 AC ±			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

16



17 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.

Signature: *S.M. Libby* Date: 05-01-06
Printed Name: S.M. LIBBY

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.

SEPTEMBER 26, 2005
Date of Survey
Signature: *John A. Vukovich*
Certificate Number: 14831
Professional Surveyor

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
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. 30-045-33743
5. Indicate Type of Lease, Navajo Indian Allotment STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NO-G-0503-1729
7. Lease Name or Unit Agreement Name Irish 1E
8. Well Number
9. OGRID Number
10. Pool name or Wildcat Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.)
Pit or Below-grade Tank Application <input 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>1200'</u>
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume _____ bbls; Construction Material <u>Synthetic</u>

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 COMPL ☐

OTHER: Pit

X

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/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 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 DATE 5/5/06
Kyla Vaughan

Type or print name
For State Use Only

E-mail address:

Telephone No.

APPROVED BY:

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. 4

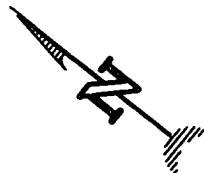
DATE

SEP 05 2006

Conditions of Approval (if any):

Exhibit D

LAT. = 36°23'00.8" N.
LONG. = 107°53'09.2" W
NAD 27



NOT TO SCALE

Exhibit E


AREA OF DISTURBANCE:
PAD = 255' x 290' = 1.7 ACRES
CONSTRUCTION ZONE 985' x 50' = 1.1 ACRES
TOTAL DISTURBANCE = 2.8 ACRES

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.

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.



Daggett Enterprises, Inc.
Surveying and Oil Field Services
P. O. Box 15068 • Farmington, NM 87401
Phone (505) 326-1772 • Fax (505) 326-6019
NEW MEMBERSHIP NO. 14874

REVISED BY:	DATE:		REVISED BY:	DATE:
<p>Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019</p>	<p>NEW MEXICO P.L.S. No. 14831 OSAP/LE GRASS/PLS</p>		<p>DESIGN BY: A.G. ROW#: CR443</p>	DATE: 12/15/08

XTO ENERGY INC.

IRISH No. 1E, 1550 FSL 1900 FWL

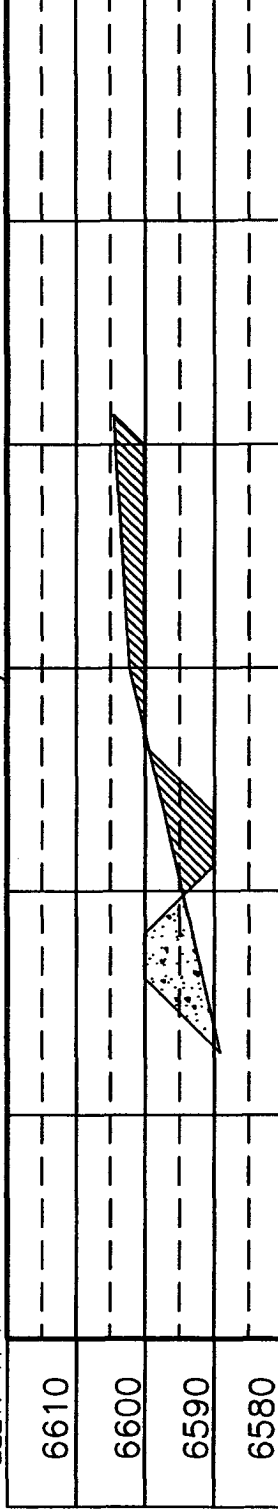
SECTION 22, T-25-N, R-10-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

GROUND ELEVATION: 6602, DATE: SEPTEMBER 26, 2005

LATITUDE: 36°23'00.8" N (NAD 27) LONGITUDE: 107°53'09.2" W (NAD 27)

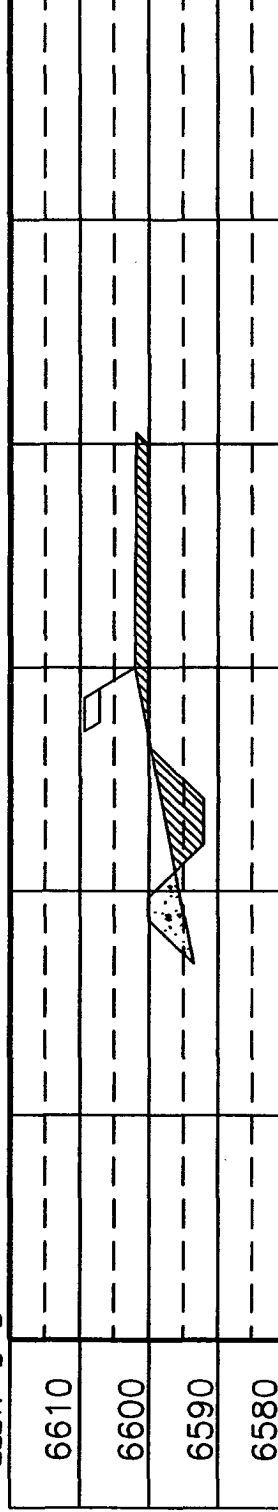
ELEV. A-A'

C/L



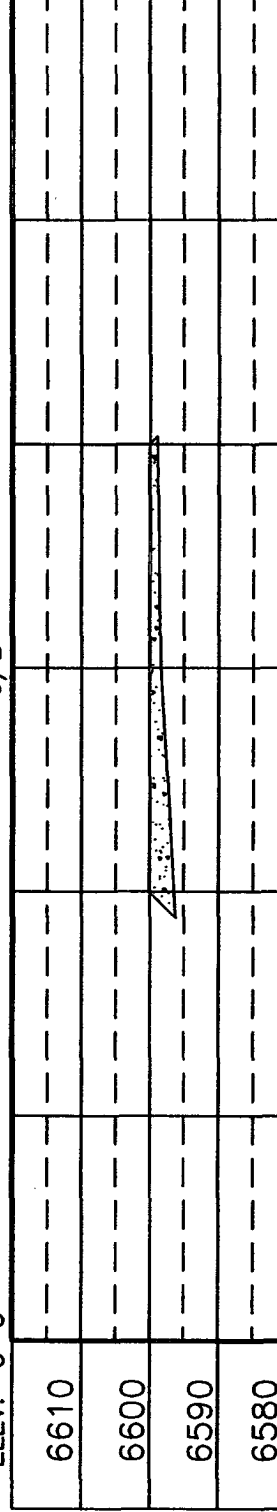
ELEV. B-B'

C/L




ELEV. C-C'

C/L



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.

Exhibit E



Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15068 • Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 326-8019
 NEW MEXICO L.S. 14831
 DOWNS BY A.G.

REVISION	DATE	REVISION BY

DATE 12/13/05

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.

Exhibit F

XTO ENERGY INC.

Irish #1E

APD Data

April 11, 2006

Location: 1550' FSL x 1900' FWL Sec 22, T25N, R10W County: San Juan

State: New Mexico

GREATEST PROJECTED TD: 6650'

OBJECTIVE: Basin Dakota

APPROX GR ELEV: 6602'

Est KB ELEV: 6614' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 6650
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 ($\pm 6650'$) 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'-6650	6650'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.27	1.51	1.96

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.

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 $\pm 6650'$ in 7.875" hole. DV Tool set @ $\pm 4000'$

1st Stage

LEAD:

± 205 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:

± 331 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 1623 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 (6650') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (6650') to 3,000'.

6. **FORMATION TOPS:**

Est. KB Elevation: 6614'

FORMATION	Sub-Sea Elev.	WELL DEPTH	FORMATION	Sub-Sea Elev.	WELL DEPTH
Ojo Alamo SS	5875	739	Gallup Ss**	1599	5,015
Kirtland Shale	5681	933	Greenhorn Ls	550	6,064
Farmington SS			Graneros Sh	500	6,114
Fruitland Formation	5408	1,206	1 ST Dakota Ss*	467	6,147
Lower Fruitland Coal	4979	1,635	2 ND Dakota Ss*	443	6,171
Pictured Cliffs SS	4962	1,652	3 RD Dakota Ss*	422	6,192
Lewis Shale	4728	1,886	4 TH Dakota Ss*	354	6,260
Chacra SS	4128	2,486	5 TH Dakota Ss*	293	6,321
Cliffhouse SS	3436	3,178	6 TH Dakota Ss*	252	6,362
Menefee	3404	3,210	Burro Canyon Ss*	227	6,387
Point Lookout SS	2501	4,113	Morrison Fm*	197	6,417
Mancos Shale	2287	4,327	Total Depth	-36	6,650

* 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
John Egelston	Drilling Engineer	505-564-6734	505-330-6902
Jerry Lacy	Drilling Superintendent	505-566-7917	505-320-6543
Red Meek	Project Geologist	817-885-2800	817-427-2475
Barry Voigt	Reservoir Engineer	817-885-2462	817-540-2092

JWE

4/11/06

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 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.

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.

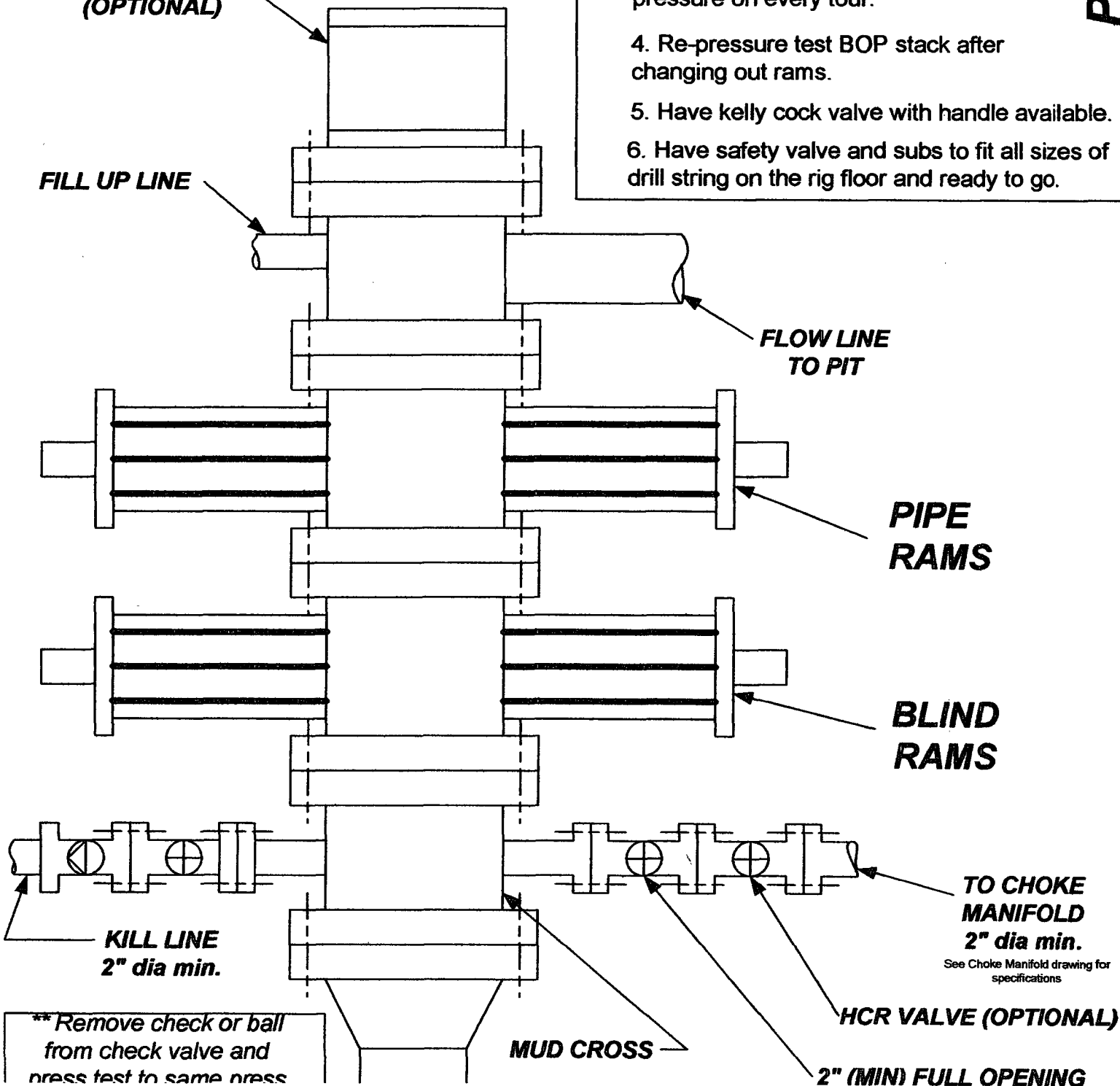
See Choke Manifold drawing for
specifications

HCR VALVE (OPTIONAL)

MUD CROSS

2" (MIN) FULL OPENING

** Remove check or ball
from check valve and
press test to same press



CHOKES 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

