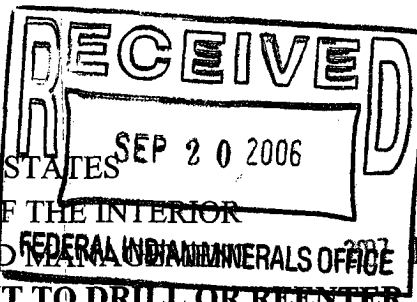


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FEDERAL INDIAN MINERALS OFFICE



RCVD JAN 10 '07
OIL CONS. DIV.
DIST. 3

FORM APPROVED
OMB NO. 1004-0136
Expires: January 31, 2004

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NO-G-0503-1724

6. If Indian, Allottee or Tribe Name
NAVAJO ALLOTMENT

7. If Unit of EPA Agreement, Name and No.

8. Lease Name and Well No.
IRISH 1

9. API Well No.
30-045-34140

10. Field and Pool, or Exploratory
Basin DAKOTA

11. Sec., T., R., M., or Blk. And Survey or Area
C Section 22, T25N, R10W, NMPM,

12. County or Parish
San Juan

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
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
1010' FNL, 1920' FWL, Lat: 36° 23' 27.7" N, Long: 107° 53' 09.0" 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 North and go 0.2 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) 1010'

16. No. of Acres in lease 160

17. Spacing Unit dedicated to this well N 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.) 6559'

22. Approximate 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:

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

Title Land Consultant

Approved By (Signature) Name (Printed/ Typed) AFM Date 09/09/07

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 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 reverse)

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

NMOCD

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

1/11/07

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

RCVD JAN10'07
OIL CONS. DIV.

| | | |
|--|--|--|
| ¹ API Number 30-045-34140 | ² Pool Code 71599 | ³ Pool Name Basin DAKOTA |
| ⁴ Property Code 35976 | ⁵ Property Name IRISH | ⁶ Well Number 1 |
| ⁷ GRID No. 197035 167007 5380 | ⁸ Operator Name XTO ENERGY INC | ⁹ Elevation 6559 |

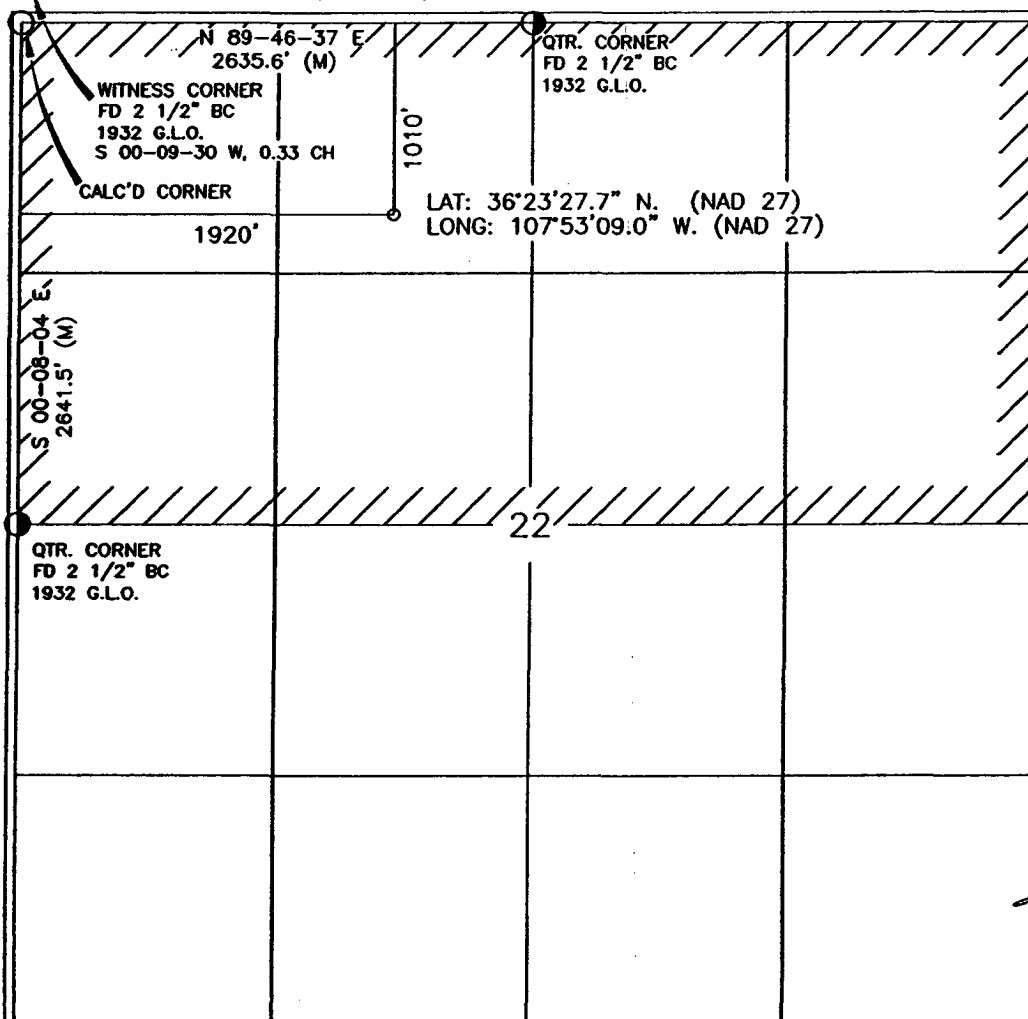
¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|-----------------------|------------------------|--------------------|
| UL or lot no. C | Section 22 | Township 25-N | Range 10-W | Lot Idn | Feet from the 1010 | North/South line NORTH | Feet from the 1920 | East/West line WEST | County 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 N1/2, 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



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: *John A. Vukovich* Date: 05-01-06
Printed Name: J. 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 13, 2005

Date of Survey

Signature and Seal

JOHN A. VUKOVICH
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
14831

Certificate Number

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. 30-045-34140 |
| 5. Indicate Type of Lease, Navajo Indian Allotment STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. NO-G-0503-1724 |
| 7. Lease Name or Unit Agreement Name Irish 1 |
| 8. Well Number |
| 9. OGRID Number |
| 10. Pool name or Wildcat Dakota |

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 ☐ Gas Well ☒ Other

2. Name of Operator

XTO Energy Inc.

3. Address of Operator

San Juan Division, 2700 Farmington Ave., Build K, Suite 1, Farmington, NM 87401

4. Well Location

Unit Letter C : 1010 feet from the FNL line and 1920 feet from the FWL line
Section 22 Township 25 North, Range 10 West, NMPM, San Juan County, New Mexico.

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Drill Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water <1000' >200'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume bbls; Construction Material Synthetic

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 X, 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

E-mail address:

Telephone No.

For State Use Only

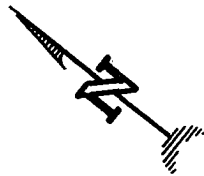
APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE JAN 11 2007

Conditions of Approval (if any):

Exhibit D

GROUND ELEVATION: 6559', DATE: SEPTEMBER 13, 2005

NAD 27



NOT TO SCALE

AREA OF DISTURBANCE:

PAD = 255' x 290' = 1.7 ACRES

CONSTRUCTION ZONE 985' x 50' = 1.1 ACRES
TOTAL DISTURBANCE = 2.8 ACRES

Exhibit E

NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. 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

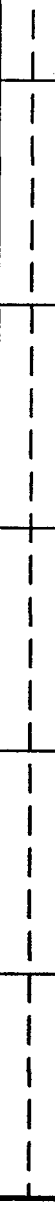
NEW MEXICO P.L.S. No. 14831

DRAWN BY: A.G.

DATE: 12/19/05

IRISH No. 1, 1010 FNL 1920 FWL
SECTION 22, T-25-N, R-10-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO
GROUND ELEVATION: 6559, DATE: SEPTEMBER 13, 2005
LATITUDE: 36°23'27.7" N (NAD 27) LONGITUDE: 107°53'09.0" W (NAD 27)

| ELEV. A-A' | C/L | | | |
|------------|-----|--|--|--|
| 6570 | | | | |
| 6560 | | | | |
| 6550 | | | | |
| 6540 | | | | |

| ELEV. B-B' | C/L |
|------------|--|
| 6570 | |
| 6560 | |
| 6550 |  |
| 6540 | |

| ELEV. C-C' | C/L | | | |
|------------|-----|--|--|--|
| 6570 | | | | |
| 6560 | | | | |
| 6550 | | | | |
| 6540 | | | | |

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.

Exhibit E



Daggett Enterprises, Inc.
Surveying and Oil Field Services
 P. O. Box 15088 • Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 326-6019

DRAWN BY: A.G.
ROW#: CR454

DATE: 12/19/05

Exhibit F

XTO ENERGY INC.

Irish #1

APD Data

March 28, 2006

Location: 1010' FNL x 1920' FWL Sec 22, T25N, R10W

County: San Juan

State: New Mexico

GREATEST PROJECTED TD: 6650'

OBJECTIVE: Basin Dakota

APPROX GR ELEV: 6559'

Est KB ELEV: 6571' (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: 6571'

| FORMATION | Sub-Sea Elev. | WELL DEPTH | FORMATION | Sub-Sea Elev. | WELL DEPTH |
|----------------------|---------------|------------|----------------------------|---------------|--------------|
| Ojo Alamo SS | 5802 | 769 | Gallup Ss** | 1555 | 5,016 |
| Kirtland Shale | 5626 | 945 | Greenhorn Ls | 510 | 6,061 |
| Farmington SS | | | Graneros Sh | 455 | 6,116 |
| Fruitland Formation | 5324 | 1,247 | 1 ST Dakota Ss* | 425 | 6,146 |
| Lower Fruitland Coal | 4936 | 1,635 | 2 ND Dakota Ss* | 401 | 6,170 |
| Pictured Cliffs SS | 4920 | 1,651 | 3 RD Dakota Ss* | 376 | 6,195 |
| Lewis Shale | 4688 | 1,883 | 4 TH Dakota Ss* | 305 | 6,266 |
| Chacra SS | 4092 | 2,479 | 5 TH Dakota Ss* | 261 | 6,310 |
| Cliffhouse SS | 3392 | 3,179 | 6 TH Dakota Ss* | 209 | 6,362 |
| Menefee | 3362 | 3,209 | Burro Canyon Ss* | 175 | 6,396 |
| Point Lookout SS | 2457 | 4,114 | Morrison Fm* | 146 | 6,425 |
| Mancos Shale | 2240 | 4,331 | Total Depth | -79 | 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

3/28/06

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.

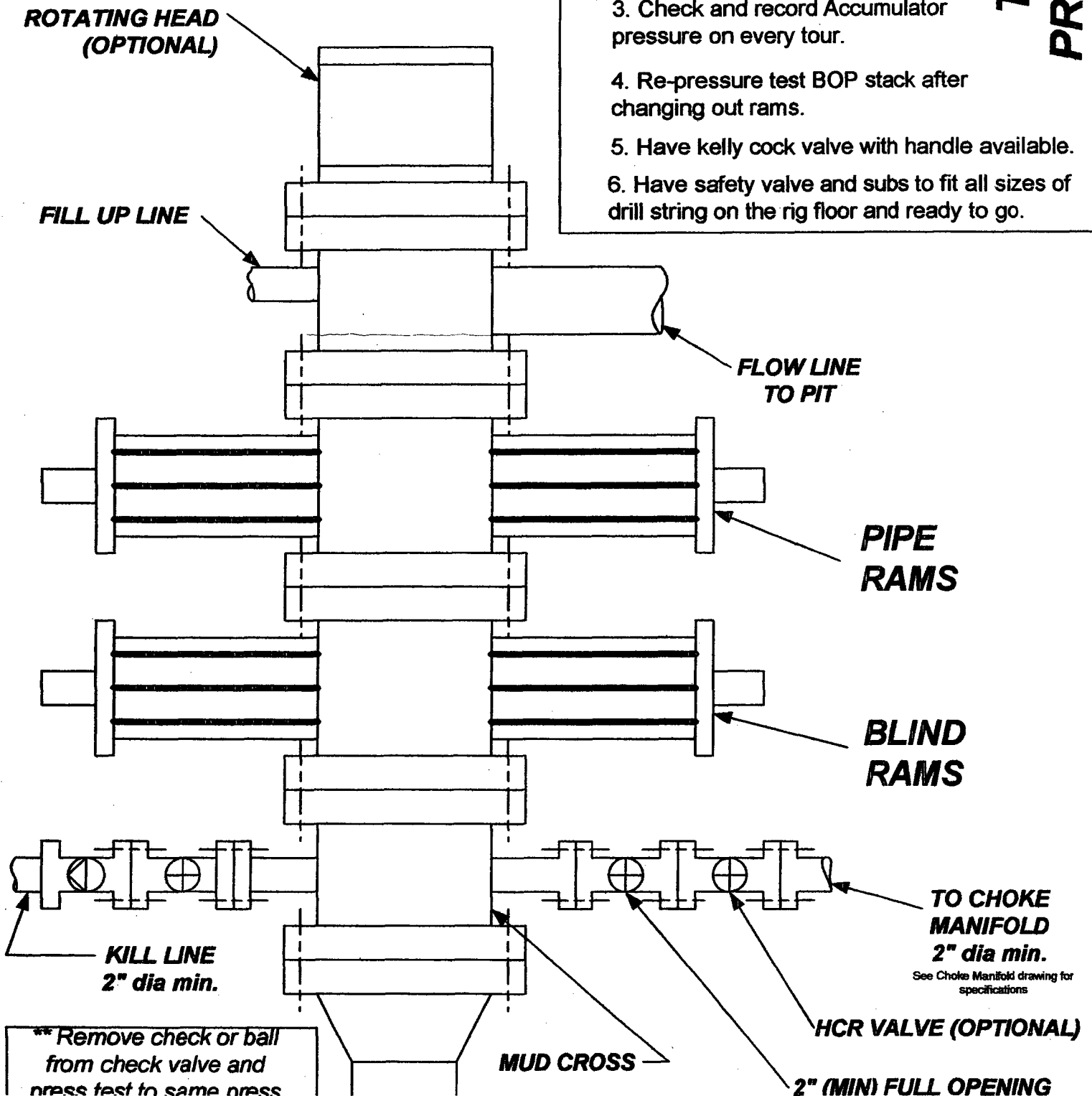
2. Test operation of (both) rams on every trip.

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.



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

