

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. NMSF 0077941 A
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator XTO Energy Inc.		7. Unit or CA Agreement Name and No. N/A
3a. Address 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM	3b. Phone No. (include area code) 505-324-1090	8. Lease Name and Well No. CA MCADAMS B #2F
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1835' ENL x 1635' FWL At proposed prod. zone 660' ENL x 1975' FWL		9. API Well No. 30-045-34170
14. Distance in miles and direction from nearest town or post office* Approximately 9 miles Southeast of Bloomfield, NM post office		10. Field and Pool, or Exploratory BASIN DAKOTA
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 660'	16. No. of Acres in lease 1280	11. Sec., T., R., M., or Blk. and Survey or Area (F) SEC 28, T27N, R10W
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 233'	19. Proposed Depth 6929'	12. County or Parish SAN JUAN
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6073' GROUND ELEVATION	22. Approximate date work will start* MAY 2007	13. State NM
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. |

25. Signature <i>Kyla Vaughan</i>	Name (Printed/Typed) Kyla Vaughan	Date 02/12/07
Title Regulatory Compliance Tech		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) AFM	Date 3/2/07
Title 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)

directional survey
BH survey

NOTIFY AZTEC OGD
IN TIME TO WITNESS

24 hrs
COGEC

APD/ROW

NMOCD

3/8/07

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.
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, N.M. 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

RCVD MAR 7 '07
OIL CONS. DIV.

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34170	² Pool Code 71599	³ Pool Name Basin Dakota	DIST. 3
⁴ Property Code 22777	⁵ Property Name C A McADAMS B		⁶ Well Number 2F
⁷ GRID No. 5380	⁸ Operator Name XTO ENERGY INC.		⁹ Elevation 6073

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
F	28	27-N	10-W		1835	NORTH	1635	WEST	SAN JUAN

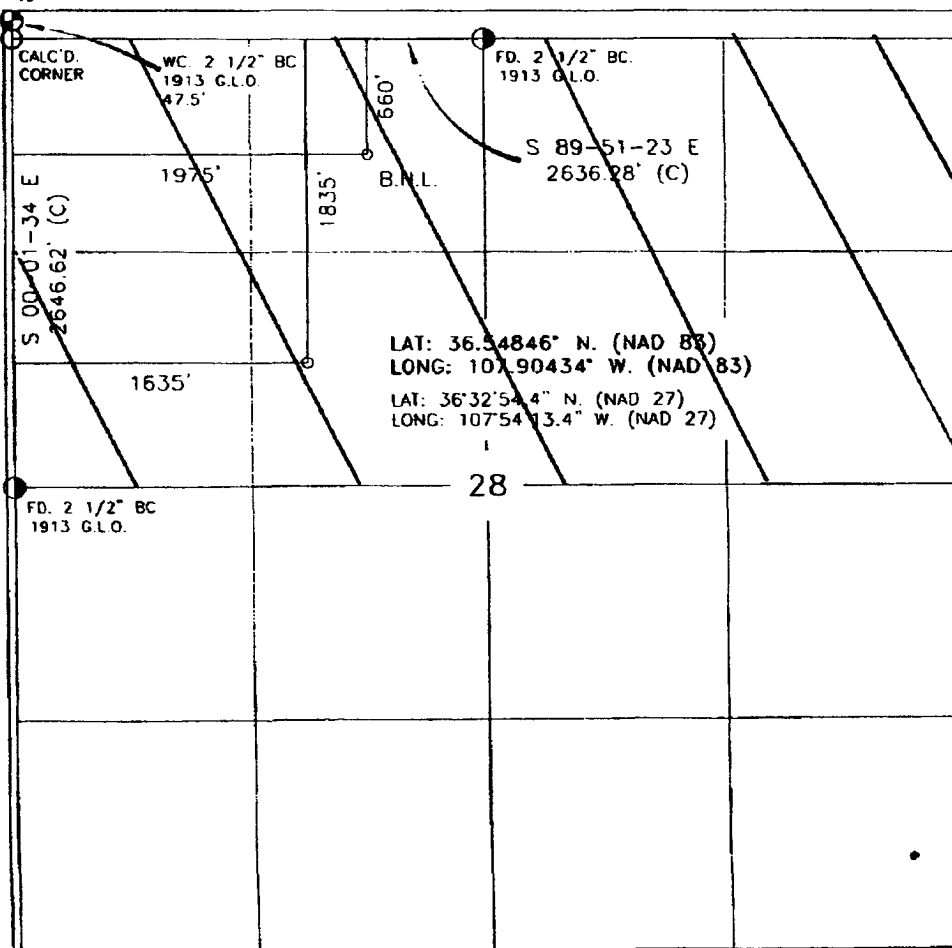
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	28	27-N	10-W		660	NORTH	1975	WEST	SAN JUAN

¹² Dedicated Acres N/A 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No
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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

Kelly K Small *Ida Sko*
Signature Date
Kelly K Small
Printed Name

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

ALVIN A. ROSE
Date of Survey
Signature and Seal of Professional Surveyor

Certificate Number

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	30-045-34170
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name:	CA MCADAMS B
8. Well Number	#2F
9. OGRID Number	5380
10. Pool name or Wildcat	basin 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 <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 F : 1835 feet from the NORTH line and 1635 feet from the WEST line Section 28 Township 27N Range 10W NMPM NMEM County SAN JUAN	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6073' GROUND ELEVATION	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type DRILL Depth to Groundwater >100 Distance from nearest fresh water well >1000 Distance from nearest surface water >200	
Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 8000 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: **PTT** ☒

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 plans to install a lined 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 02/12/07
Type or print name Kyla Vaughan E-mail address: kyla_vaughan@xtoenergy.com Telephone No. 505-564-6726

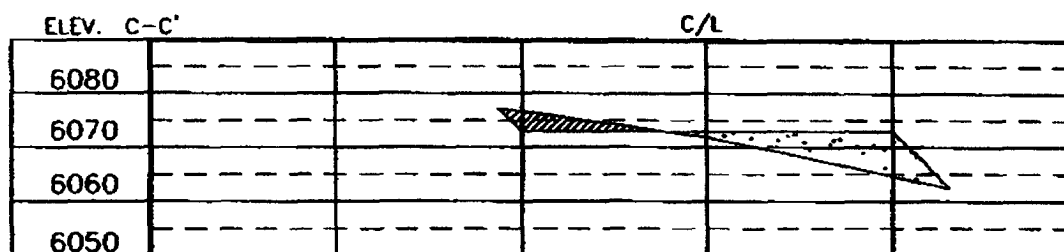
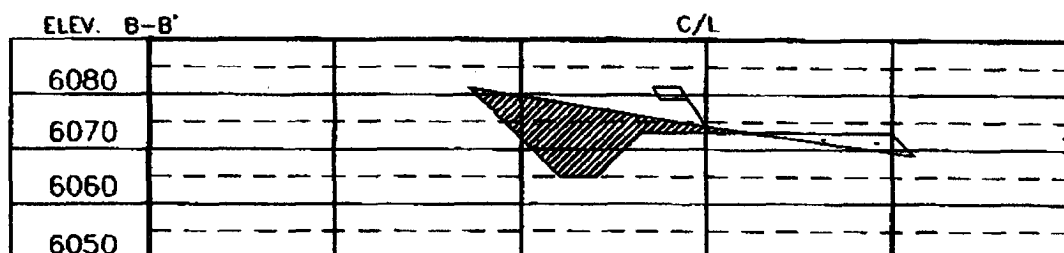
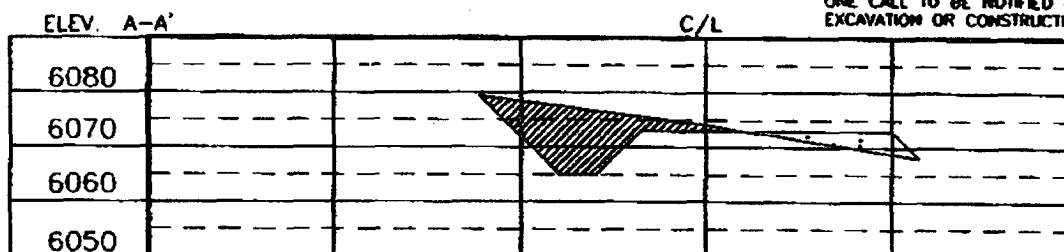
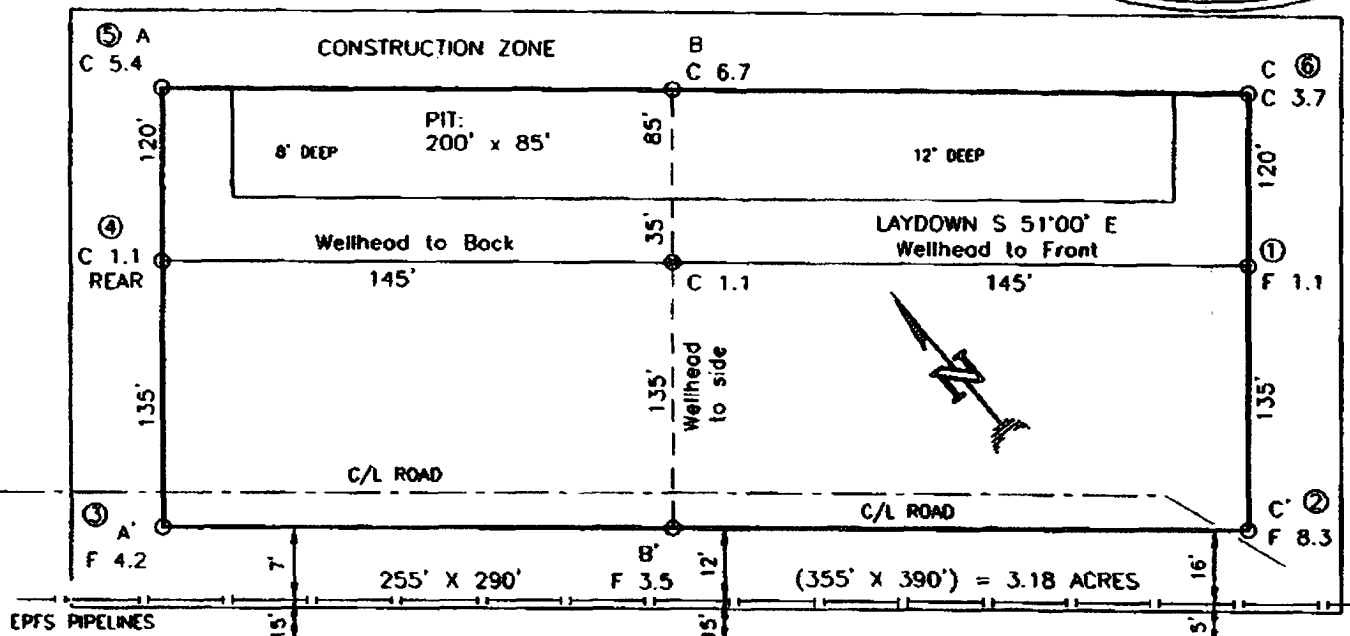
For State Use Only

APPROVED BY *[Signature]* DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE MAR 08 2007
Conditions of Approval, if any:

EXHIBIT D

XTO ENERGY INC.
 C A McADAMS B No. 2F, 1835 FNL 1635 FWL
 SECTION 28, T27N, R10W, N.M.P.M., SAN JUAN COUNTY, N.M.
 GROUND ELEVATION: 6073' DATE: AUGUST 3, 2006

NAD 83
 LAT. = 36.54846° N
 LONG. = 107.90434° W
 NAD 27
 LAT. = 36°32'54.4" N
 LONG. = 107°54'13.6" W



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.

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. 8894
 DATE: 08/14/06

DAE: C.V.
 DATE: 08/14/06

EXHIBIT E

XTO ENERGY INC.

CA McAdams B #2F

APD Data

February 12, 2007

Location: 1835' FNL x 1635' FWL Sec 28, T27N, R10W

County: San Juan

State: New Mexico

Bottom Hole Location: 660' FNL & 1975' FWL @ Top of Morrison

GREATEST PROJECTED TD: 6929'

OBJECTIVE: Basin Dakota

APPROX GR ELEV: 6073'

Est KB ELEV: 6085' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 6929'
HOLE SIZE	12.25"	8.75"	8.75"
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: 9.625" 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'	36.0#	J-55	ST&C	2020	3520	394	8.921	8.765	11.73	20.44	30.40

Production Casing: 5.5" casing to be set at TD ($\pm 6929'$) in 8.75" 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'-6929	6929'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.22	1.45	1.88

3. WELLHEAD:

- Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 9-5/8" 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), 9-5/8" 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: 9.625", 36.0#, J-55, ST&C casing to be set at $\pm 360'$ in 12-1/4" hole.

162 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 225 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 $\pm 6929'$ in 8.75" hole. DV Tool set @ $\pm 4200'$

1st Stage

LEAD:

± 365 sx of Premium Lite HS (Type III/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 12.5 ppg, 2.01 ft³/sk, 10.55 gal wtr/sx.

TAIL:

150 sx Type III or equivalent cement with bonding additive, LCM, dispersant, & fluid loss mixed at 14.2 ppg, 1.54 cuft/sx, 8.00 gal/sx.

2nd Stage

LEAD:

± 533 sx of Type III or equivalent cement with 8% gel & 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 2459 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 (6929') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (6929') to 3,000'.

6. **FORMATION TOPS:**

Est. KB Elevation: 6085'

Please see Directional Plan for Anticipated formation tops.

**** 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
John Klutsch	Project Geologist	817-885-2800	--

JWE
2/12/07

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 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.

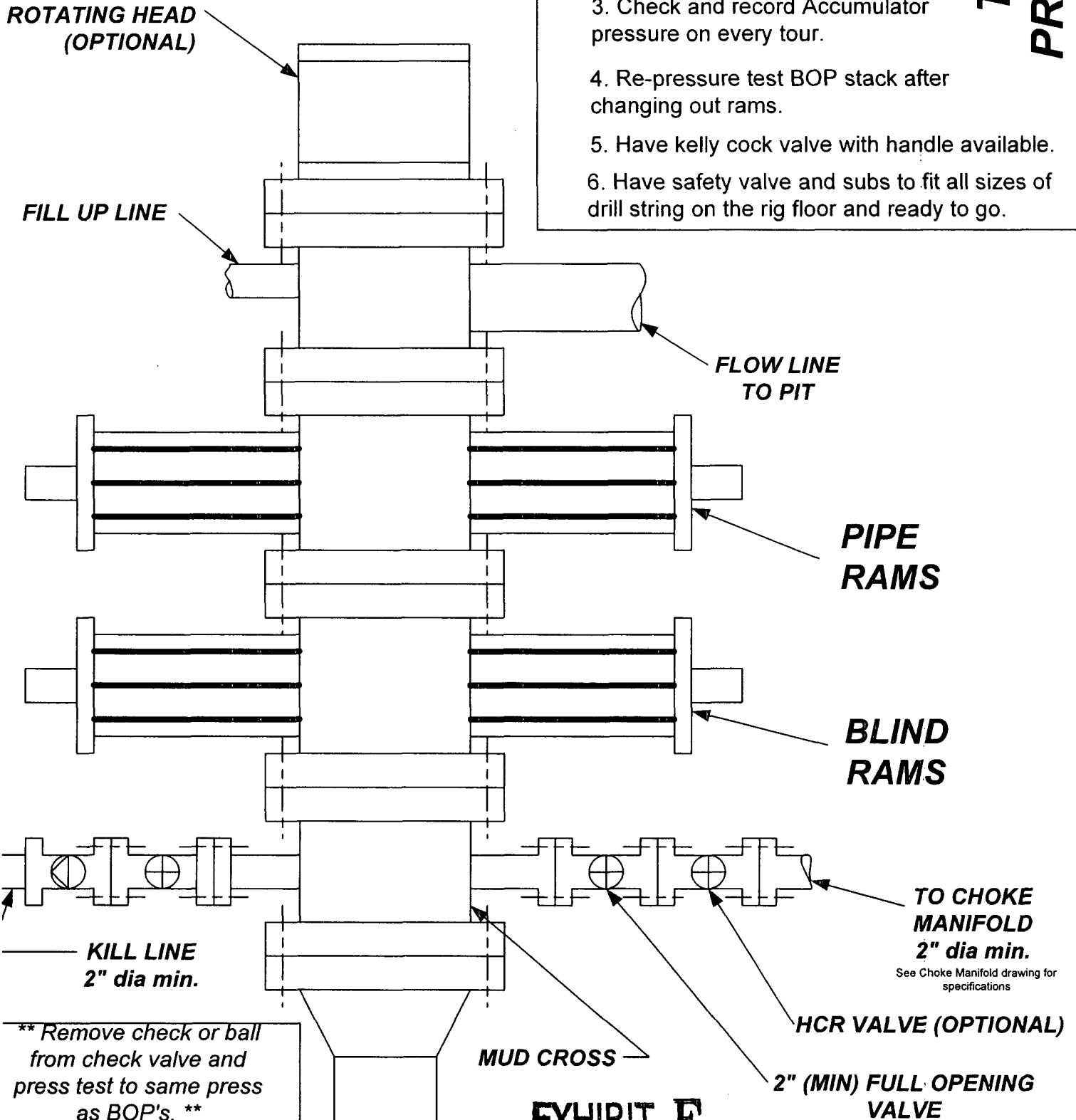
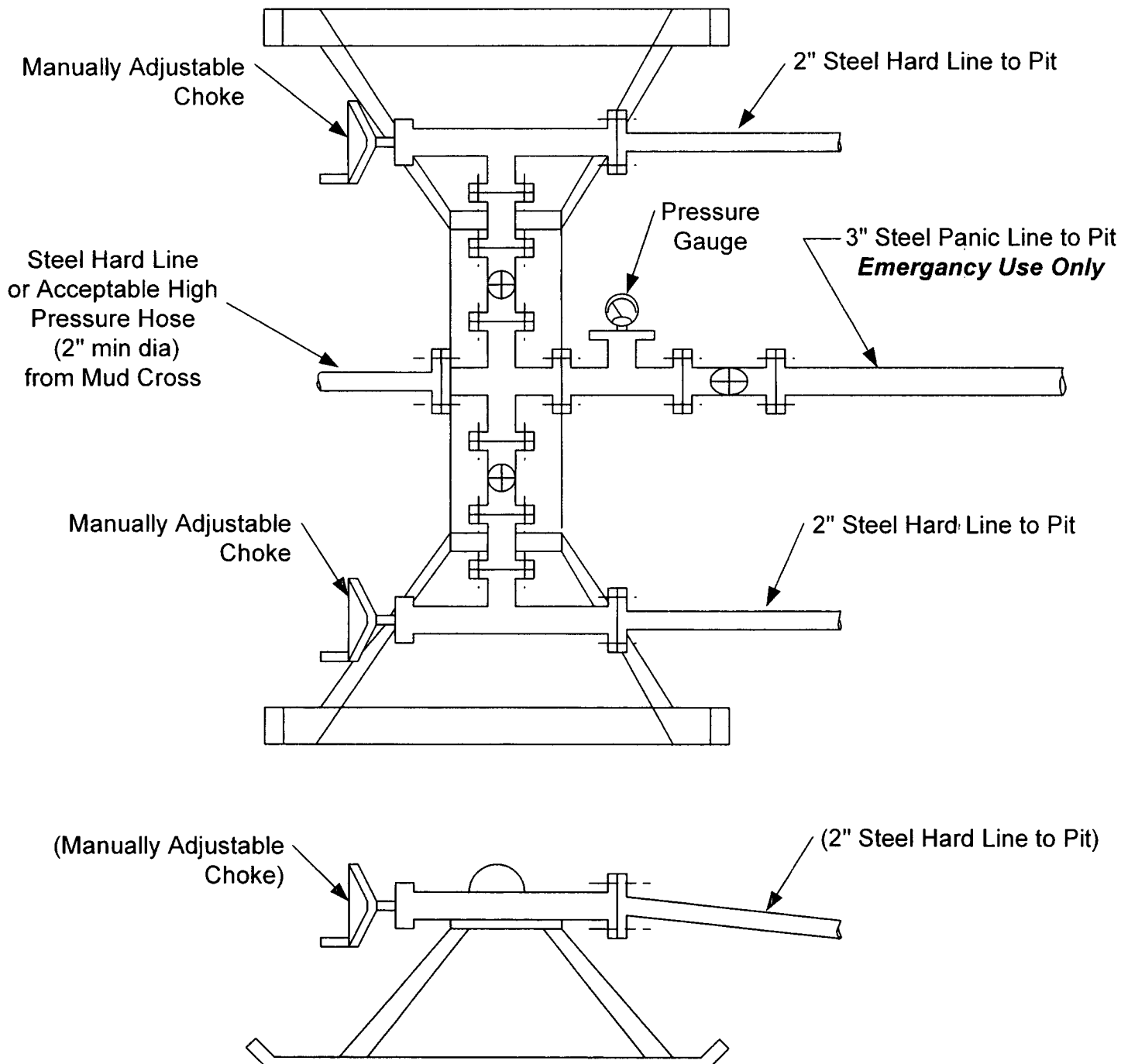


EXHIBIT F

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



XTO Energy, Inc.
Planning Report



Database: EDM 2003.14 Single User Db
Company: XTO Energy
Project: T27N, R10W
Site: CA McAdams B #2F
Well: CA McAdams B #2F
Wellbore: Original Wellbore
Design: Permitted Wellbore

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

Well CA McAdams B #2F
WELL @ 6085.0ft (Original Well Elev)
WELL @ 6085.0ft (Original Well Elev)
Grid
Minimum Curvature

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
800.0	800.0	Ojo Alamo	Sandstone	0.00	
937.0	937.0	Kirtland Shale	Shale	0.00	
1,347.9	1,346.0	Fruitland Formation		0.00	
1,792.6	1,782.0	Lower Fruitland Coal	Coal	0.00	
1,813.1	1,802.0	Pictured Cliffs	Sandstone	0.00	
2,059.2	2,042.0	Lewis Shale	Shale	0.00	
2,740.2	2,706.0	Chacara	Sandstone	0.00	
3,413.1	3,362.0	Cliffhouse	Sandstone	0.00	
3,514.6	3,461.0	Meneffee	Coal	0.00	
4,311.5	4,238.0	Point Lookout	Sandstone	0.00	
4,591.5	4,511.0	Mancos Shale	Shale	0.00	
5,428.4	5,327.0	Gallup	Sandstone	0.00	
6,293.0	6,170.0	Greenhorn		0.00	
6,347.4	6,223.0	Graneros		0.00	
6,380.2	6,255.0	Dakota 1	Sandstone	0.00	
6,406.9	6,281.0	Dakota 2	Sandstone	0.00	
6,455.1	6,328.0	Dakota 3	Sandstone	0.00	
6,508.4	6,380.0	Dakota 4	Sandstone	0.00	
6,550.5	6,421.0	Dakota 5	Sandstone	0.00	
6,596.6	6,466.0	Dakota 6	Sandstone	0.00	
6,664.3	6,532.0	Burro Canyon		0.00	
6,732.0	6,598.0	Morrison	Sandstone	0.00	