

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		2007 APR 16	5. Lease Serial No. NMSF 065546B
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		210 EAST	6. Indian Allottee or Tribe Name N/A
2. Name of Operator XTO Energy Inc.			7. Unit or CA Agreement Name and No. N/A NMNM-73884-DK
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. HUBBELL GAS COM C #1F
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1975' FSL x 665' FWL At proposed prod. zone SAME			9. API Well No. 30-045-34277
14. Distance in miles and direction from nearest town or post office* Approximately 6.3 miles Southeast of Bloomfield, NM post office			10. Field and Pool, or Explorator: BASIN DAKOTA/W.C. Basin Hands
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 665'		16. No. of Acres in lease 484	11. Sec., T., R., M., or Bk. and Survey or Area (1) SEC 29, T28N, R10W
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 247'		19. Proposed Depth 6850'	12. County or Parish SAN JUAN
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5997' GROUND ELEVATION		22. Approximate date work will start* JULY 2007	13. State NM
		23. Estimated duration 2 WEEKS	
17. Spacing Unit dedicated to this well S/2 320 DK, SW/4 160 MC			
20. BLM/BIA Bond No. on file UTB000138			

24. Attachments

RCUD MAY4'07

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

OIL CONS. DIV.

DIST. 3

- | | |
|---|--|
| 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 04/13/07
Title Regulatory Compliance Tech		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) AFM	Date 5/3/07
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)

NOTIFY AZTEG OGD 24 HRS
PRIOR TO CASING & CEMENT

APD/ROW

5/9/07

NMOCD

RCVD MAY4'07

Form: C-102

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505State of New Mexico
Energy, Minerals & Natural Resources DepartmentOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 875052007 APR 18
Revised October 12, 2005
Submit to Appropriate District Office
State Lease 4 Copies
Fee Lease 3 CopiesRECEIVED
PLM-20
210 FARMINGTON, NM
☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

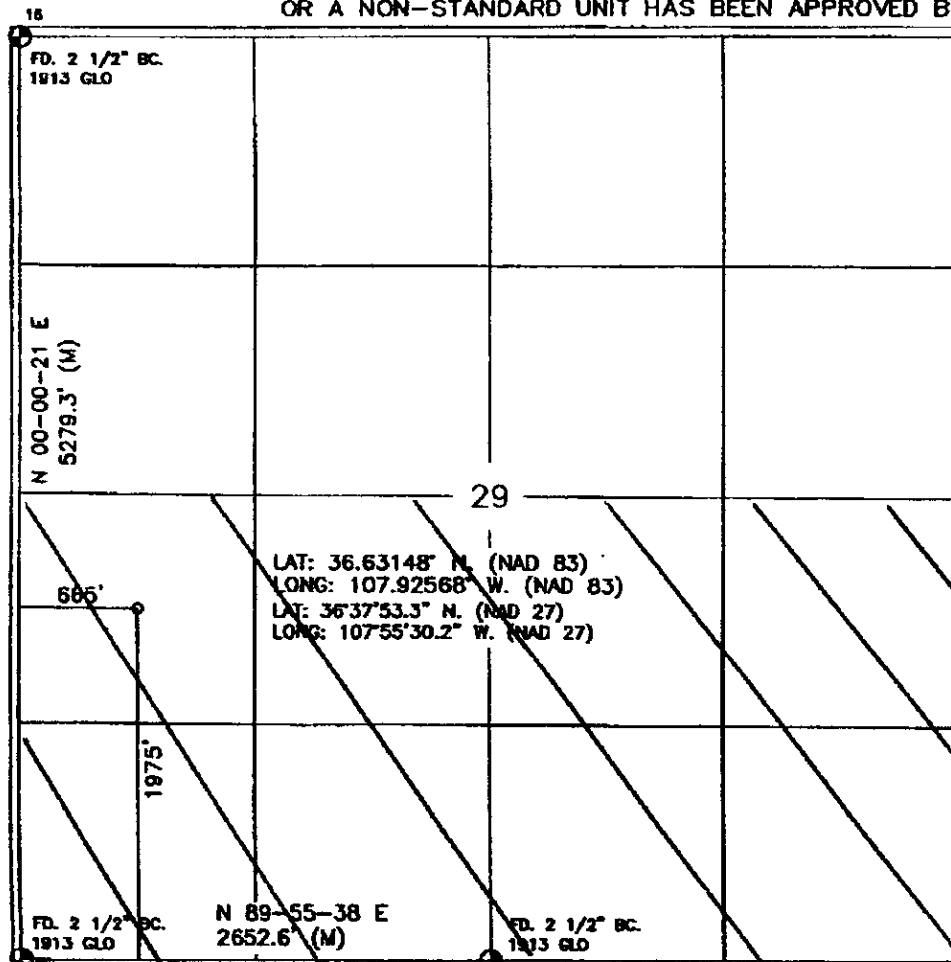
¹ API Number 30-045-34277	² Pool Code 11599	³ Pool Name Basin Dakota
⁴ Property Code 22746	⁵ Property Name HUBBELL GAS COM C	
⁷ GRID No. 5380	⁶ Operator Name XTO ENERGY INC.	⁸ Well Number 1F
		⁹ Elevation 5997

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
L	29	28-N	10-W		1975	SOUTH	665	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 3/2 320					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

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 unless 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 Inman 11/7/07
Signature Date
Kelly 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.

SEPTEMBER 21, 2006
Date of Survey
Signature and Seal of Registered Surveyor
Roy A. Rush
12/1/06
8894
NEW MEXICO
REGISTERED PROFESSIONAL LAND SURVEYOR
Certificate Number

OIL CONS. DIV.

DIST. 3

RCVD MAY 10 2007

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORTDISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240DISTRICT II
1309 W. Grand Ave., Artesia, N.M. 88210DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34217	² Pool Code 97232	³ Pool Name Basin Mancos
⁴ Property Code 22146	⁵ Property Name HUBBELL GAS COM C	⁶ Well Number 1F
⁷ GRID No. 5380	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 5997

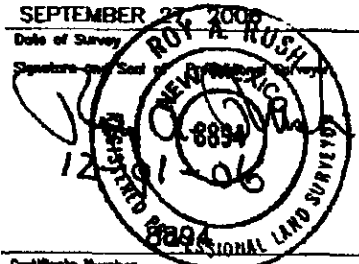
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	29	28-N	10-W		1975	SOUTH	665	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 5W/4 160			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 FD. 2 1/2" BC. 1913 GLO N 00-00-21 E 5279.3' (M)		29 LAT: 36.63148° N. (NAD 83) LONG: 107.92568° W. (NAD 83) LAT: 36°37'53.3" N. (NAD 27) LONG: 107°55'30.2" W. (NAD 27)		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 Date Kelly Small Printed Name	
665' 1975 FD. 2 1/2" BC. 1913 GLO		N 89-55-38 E 2652.6' (M)		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 27, 2006 Date of Survey Signature and Seal  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. <u>30-045-34277</u>	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. <u>NMSF 065546B</u>	
7. Lease Name or Unit Agreement Name: <u>HUBBELL GAS COM C</u>	
8. Well Number <u>#1F</u>	
9. OGRID Number <u>5380</u>	
10. Pool name or Wildcat <u>Basin Dakota/Basin Mancos</u>	

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 <u>XTO Energy Inc.</u>	
3. Address of Operator <u>2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401</u>	
4. Well Location Unit Letter <u>L</u> : <u>1975</u> feet from the <u>SOUTH</u> line and <u>665</u> feet from the <u>WEST</u> line Section <u>29</u> Township <u>28N</u> Range <u>10W</u> NMPM <u>NMEM</u> County <u>SAN JUAN</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>5997' GROUND ELEVATION</u>	
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><200</u>	
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u>8000</u> 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 ☒

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 04/13/07

Type or print name Kyla Vaughan E-mail address: kyla_vanahan@xtoenergy.com Telephone No. 505-564-6726

For State Use Only

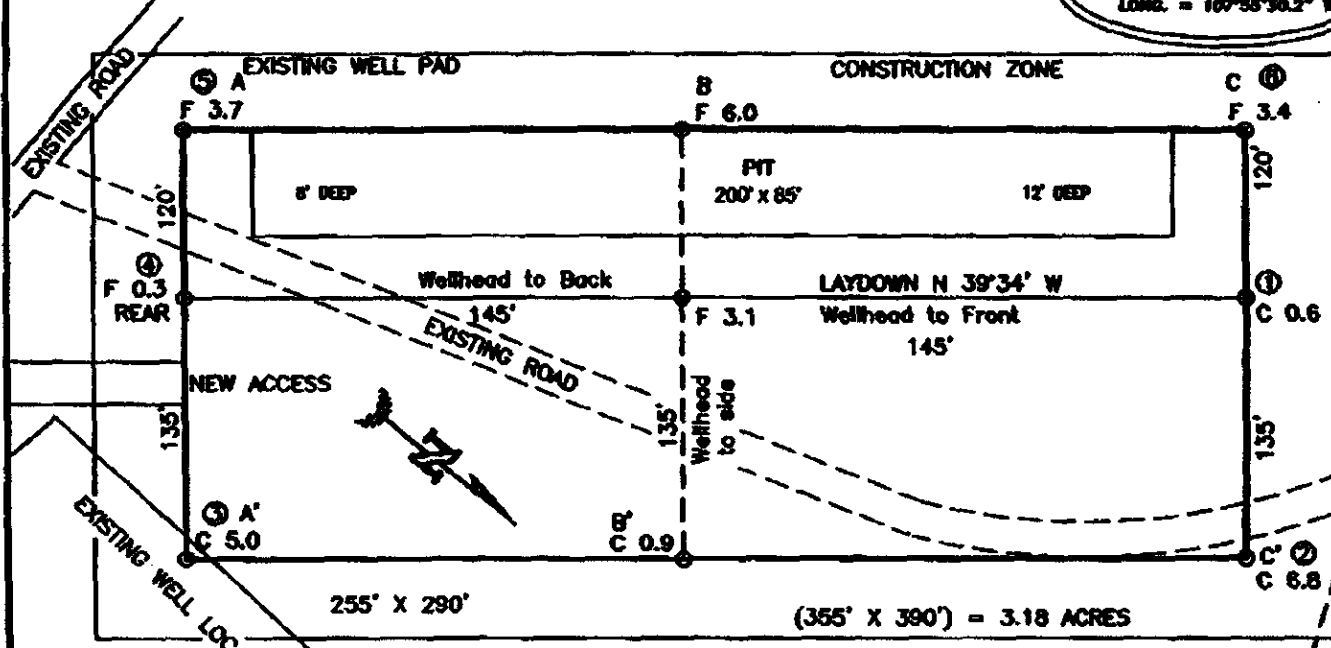
APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 83 DATE MAY 09 2007

Conditions of Approval, if any:

EXHIBIT D

XTO ENERGY INC.
HUBBELL GAS COM C No. 1F, 1975 FSL 665 FWL
SECTION 29, T28N, R10W, N.M.P.M., SAN JUAN COUNTY, N. M.
GROUND ELEVATION: 5997' DATE: SEPTEMBER 27, 2006

HAD 83
LAT. = 36.63148° N
LONG. = 107.92568° W
HAD 27
LAT. = 36°37'53.3" N
LONG. = 107°55'30.2" W



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.

ELEV. A-A'	C/L
6010	
6000	
5990	
5980	

ELEV. B-B'	C/L
6010	
6000	
5990	
5980	

ELEV. C-C'	C/L
6010	
6000	
5990	
5980	

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 12088 • Farmington, NM 87401
Phone (505) 396-1772 • Fax (505) 396-0810
NEW MEXICO L.S. No. 8894
Surveyor's Seal



EXHIBIT E

XTO ENERGY INC.

Hubbell Gas Com C #1F

APD Data

April 13, 2007

Location: 1975' FSL x 665' FWL Sec 29, T28N, R10W County: San Juan State: New Mexico

GREATEST PROJECTED TD: 6850'
APPROX GR ELEV: 5997'

OBJECTIVE: Basin Dakota / Basin Mancos
Est KB ELEV: 6009' (12' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 6850'
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 ($\pm 6850'$) in 7.875" 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'-6850'	6850'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.23	1.47	1.90

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.

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", 15.5#, J-55 (or K-55), ST&C casing to be set at $\pm 6850'$ in 7.875" hole. DV Tool set @ $\pm 4200'$

1st Stage

LEAD:

± 205 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:

± 350 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 1671 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: None.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (6850') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (6850') to 3,000'.

EXHIBIT F

6. FORMATION TOPS:

Est. KB Elevation: 6009'

FORMATION	Sub-Sea	MD	FORMATION	TV Sub-Sea	MD
Ojo Alamo SS	5063	946	Gallup**	497	5,512
Kirtland Shale	4949	1,060	Greenhorn	-288	6,297
Farmington SS			Graneros	-345	6,354
Fruitland Formation	4512	1,497	Dakota 1*	-385	6,394
Lower Fruitland Coal	4050	1959	Dakota 2*	-406	6,415
Pictured Cliffs SS	4033	1,976	Dakota 3*	-467	6,476
Lewis Shale	3851	2,158	Dakota 4*	-525	6,534
Chacra SS	3107	2,902	Dakota 5*	-562	6,571
Cliffhouse SS	2474	3,535	Dakota 6*	-603	6,612
Menefee	2374	3,635	Burro Canyon	-630	6,639
Point Lookout SS	1720	4,289	Morrison*	-670	6,679
Mancos Shale	1370	4,639	TD	-841	6,850

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

JWE
4/13/07

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.

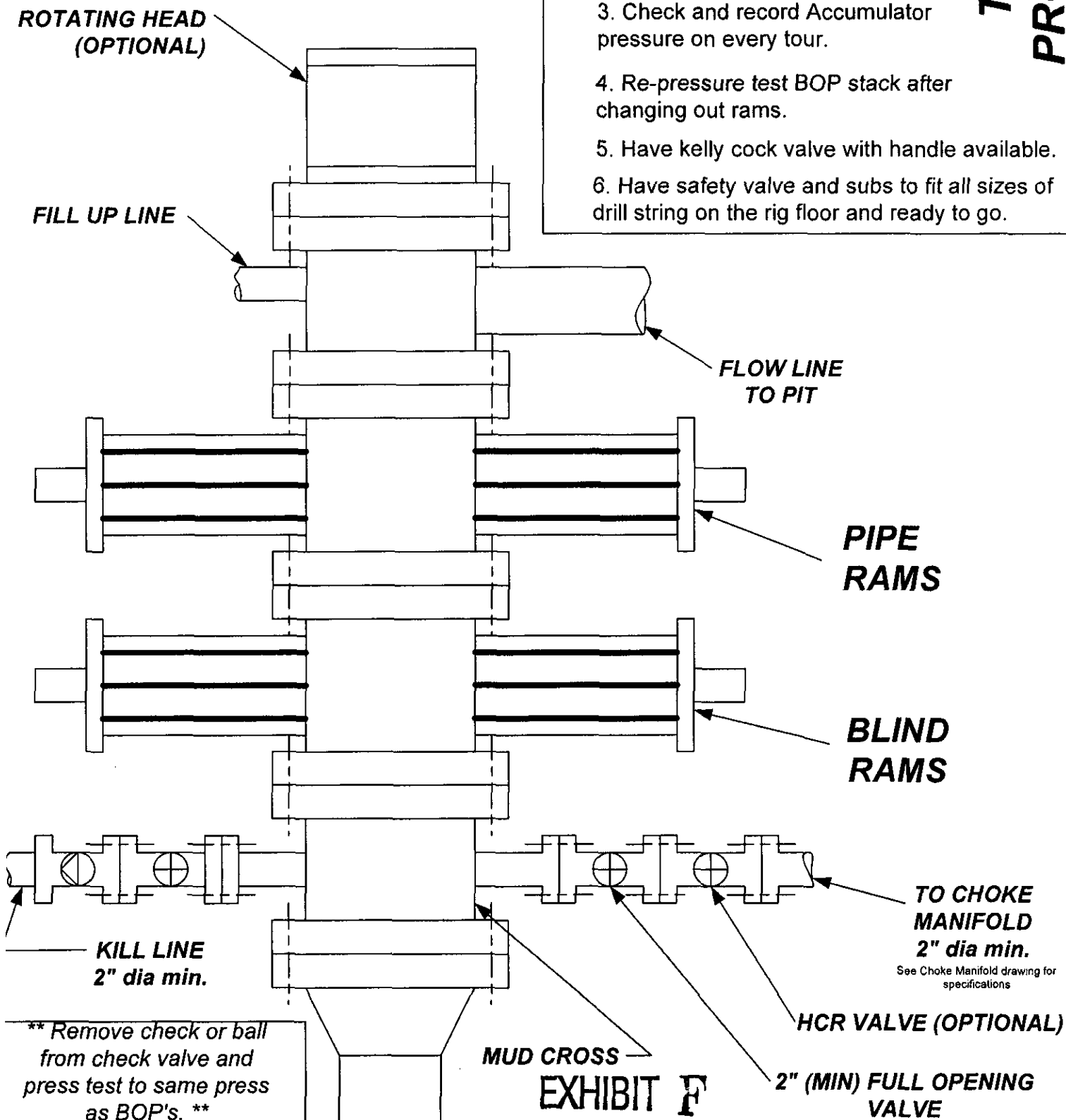


EXHIBIT F

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

