

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM - 14922
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR XTO ENERGY INC.		7. UNIT AGREEMENT NAME 22849
3. ADDRESS AND TELEPHONE NO. 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401		8. FARM OR LEASE NAME, WELL NO. Valencia Canyon Unit #45B
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1975' FSL & 840' FEL Sec 34, T28N, R04W At proposed prod. zone 1980' FSL & 660' FEL Sec 34, T28N, R04W		9. API WELL NO. 30-039-26908
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approx 49 from the Post Office in Blanco, NM.		10. FIELD AND POOL, OR WILDCAT Blanco Mesaverde
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 845'	16. NO. OF ACRES IN LEASE 320	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 34, T28N, R04W
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 775'	19. PROPOSED DEPTH 6,800'	12. COUNTY OR PARISH Rio Arriba
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7214' 7207' Ground Level		13. STATE NM
		17. NO. OF ACRES ASSIGNED TO THIS WELL 320 S/L
		20. ROTARY OR CABLE TOOLS 0-6,800' with Rotary Tools
		22. APPROX. DATE WORK WILL START* Summer of 2002

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	32.3#	+/- 80' 320	200 sx type III
8-3/4"	7"	20.0#	+/- 3,885'	300 sx cmt (total)
6-1/4"	4-1/2"	10.5#	+/- 6,800'	205 sx cmt (total)

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

See the attached Surface Use plan and Drilling Program for the above mentioned well.

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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED JW Patton TITLE Drilling Engineer DATE 1/23/02

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-26908	² Pool Code 72319	³ Pool Name BLANCO MESA VERDE
⁴ Property Code 22849	⁵ Property Name VALENCIA CANYON UNIT	⁶ Well Number 45B
⁷ GRID No. 167067	⁸ Operator Name XTO ENERGY INC.	⁹ Elevation 7214'

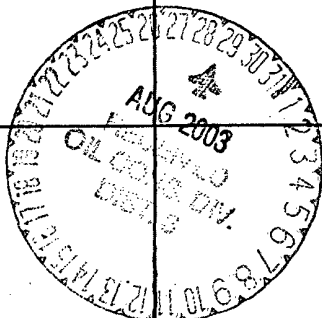
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	34	28-N	4-W		1975'	SOUTH	840'	EAST	RIO ARriba

¹¹Bottom 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 370 5/2			¹³ Joint or Infill I		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

<div>16</div> <div></div> <div><div>34</div><div>LAT: 36°36'53" N. LONG: 107°13'59" W.</div><div>EXISTING WH. VALENCIA CANYON No. 45A</div></div> <div>LOCATION IS STAKED RELATIVE TO EXISTING WELLS AND DRY HOLES ON RECORD WITH N.M. OIL & GAS CONSERVATION COMMISSION. SECTION AND QUARTER CORNERS ARE NON- EXISTANT IN THE AREA. DEPENDENT RESURVEY OF THE TOWNSHIP IS REQUIRED TO OBTAIN EXACT DIMENSIONS FROM THE SECTION LINES.</div>	<div>17 17 OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</div> <div><div>Signature</div><div>JERRY W. VATION</div><div>Printed Name</div><div>DRILLING ENGINEER</div><div>Title</div><div>7-79-01</div><div>Date</div></div> <div>18 SURVEYOR CERTIFICATION</div> <div>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.</div> <div><div>MAY 6 2003</div><div>Date of Survey</div><div>Signature and Seal of Professional Surveyor</div><div>14827</div><div>REGISTERED PROFESSIONAL SURVEYOR</div><div>Certificate Number</div></div>
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
NMNM14922

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.8. Well Name and No.
VALENCIA CANYON UNIT 45B

9. API Well No.

10. Field and Pool, or Exploratory
BLANCO MESAVERDE11. County or Parish, and State
RIO ARRIBA COUNTY, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
XTO ENERGY INC.Contact: HOLLY PERKINS
E-Mail: Holly_Perkins@xtoenergy.com3a. Address
2700 FARMINGTON AVE, BLDG K, SUITE 1
FARMINGTON, NM 874013b. Phone No. (include area code)
Ph: 505.324.1090 Ext: 4020
Fx: 505.564.6700

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 34 T28N R04W NESE 1975FSL 840FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

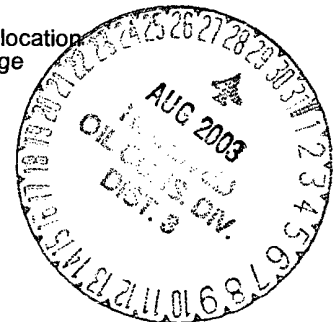
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

XTO Energy Inc. has moved the above mentioned well to a new surface location. This new location will allow XTO to drill a vertical well. Attached is a new plat showing the well location, acreage and unit orientation, a quad map, and a cut & fill diagram. A new drilling plan for the vertical well is also attached.

Old location: 1,430' FSL & 845' FEL Sec 34, T28N, R04W

New location: 1,975' FSL & 840' FEL Sec 34, T28N, R04W



14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #13320 verified by the BLM Well Information System
For XTO ENERGY INC., sent to the Farmington
Committed to AFMSS for processing by Adrienne Garcia on 08/01/2002 ()**

Name (Printed/Typed) JEFF PATTON

Title DRILLING ENGINEER

Signature (Electronic Submission)

Date 08/01/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

/s/ David J. Mankiewicz

Title

Date

AUG 27 2003

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

NMOC

XTO ENERGY INC.

Valencia Canyon Unit #45B

APD Data

July 29, 2002

Surface Location: 1,975' FSL & 840' FEL, Sec 34, T28N, R04W County: Rio Arriba State: New Mexico

PROJECTED TOTAL DEPTH: ±6,800 (MD)

GR ELEV: 7,214'

OBJECTIVE: Mesaverde

Est KB ELEV: 7,227' (13' AGL)

MUD PROGRAM:

INTERVAL	0' to 220'	220' to 3,800'	3,800' to TD
HOLE SIZE	12-1/4"	8-3/4"	6-1/4"
MUD TYPE	FW/Native Mud	FW/Polymer	Air
WEIGHT	8.6-8.8	8.6-9.0	
VISCOSITY	28-32	29-34	
WATER LOSS	NC	NC	

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. RU air compressors after setting the intermediate csg. Drill with air or foam to TD.

2. CASING PROGRAM:

Surface Casing: 9-5/8" casing to be set at ± 220' in 8.6 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'-220'	220'	32.3#	H-40	STC	1370	2270	254	9.001	8.972	5.98	5.68	15.73

Intermediate Casing: 7" casing to be set at ±3,800' (MD) in 9.0 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'-3,800'	3,800'	20.0#	J-55	STC	2257	3740	234	6.456	6.331	1.15	1.31	2.57

Production Casing: 4-1/2" casing to be set at 6,800' (TVD) in air.

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'-6,800' (MD)	6,800'	10.5#	J-55	STC	4010	4790	132	4.052	3.927	1.33	1.20	1.90

3. **WELLHEAD:**

- A. Braden Head: 9-5/8" x 7" 2,000 psig WP (4,000 psig test).
- B. Intermediate Casing Head: 7" x 4-1/2" 3,000 psig WP (6,000 psig test).

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

- A. **Surface:** 9-5/8", 32.3#, H-40, STC casing to be set at $\pm 220'$

Lead: 150 sx of "Type III" cement containing 3% CaCl_2 , 1/4 pps celloflake, mixed at 14.5 ppg, 1.39 ft^3/sk , & 6.20 gal wtr/sk.

Total slurry volume is 208 ft^3 , 300% excess of calculated annular volume to 220'.

- B. **Intermediate:** 7", 20.0#, J-55, STC casing to be set at $\pm 3,800'$ (MD).

Lead: 200 sx of Premium Lite (65/35/6)(cement/poz/gel), 1/4 pps celloflake and 2% Phenoseal mixed at 11.9 ppg, 2.21 ft^3/sk , 10.25 gal wtr/sx.

Tail: 100 sx of "Type III" cement containing 1/4 pps celloflake and 2% Phenoseal mixed at 14.5 ppg, 1.41 ft^3/sk , 6.30 gal wtr/sx.

Total slurry volume is 583 ft^3 , circulated to surface. No excess has been added to the above volume of lead and tail cement. Based on actual drilling conditions an excess (usually 35-50%) will be added.

- C. **Production:** 4-1/2", 10.5#, J-55, STC casing to be set at 6,800' (MD).

Lead: 55 sx of Premium Lite (65/35/6)(cement/poz/gel) containing 2% KCl, 1/4 pps celloflake, 4% Phenoseal, 0.2% dispersant, 0.5% fluid loss mixed at 11.9 ppg, 2.21 ft^3/sk , 10.25 gal wtr/sx.

Tail: 150 sx of Class "H" cement containing 1/4 pps celloflake, 4% Phenoseal and 0.6% Fl-62 mixed at 15.6 ppg, 1.18 ft^3/sk , 4.80 gal wtr/sx..

Total estimated slurry volume for the 4-1/2" production casing is 300 ft^3 for 3,115' of fill. Est. TOC should be 200' into the 7" intermediate casing. The above cement volumes for both the lead & tail do not have any excess. Excess cement will be calculated from the caliper log + 40%'.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined for the caliper logs plus 40%. .

5. **LOGGING PROGRAM:**

- A. Mud Logger There are no plans to use a mud logger at this time.
- B. Open Hole Logs as follows: Run Dual Induction/SFL/GR/CAL/SP/CNL/LDT (lithodensity) from TD to the bottom of the intermediate csg. Run cased hole GR/CCL from TD to surface.

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 5 min.

Test BOP to Working Press or
to 70% internal yield of surf csg
(10 min).

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.

