Form 3160-3	
(February 2005)	į

UNITED STATES AND AUG 3 RM 11 16 5. Lease Serial No

FORM	APPR	OV!	ED
OMB N	lo. 100	4-01	37
Expires	March	31,	2007

BUREAU OF LAND MANAGEMENT	<u> </u>	NMSF 04703
boltano or many management	6.	If Indian, Allote

DUKEAU OF LAIND MAIN			6. If Indian, Allotee	or Tribe Name		
APPLICATION FOR PERMIT TO	N Å!A	N/A				
la. Type of work: DRILL REENT.	- 070 EARMINSTO er		7 If Unit or CA Agree N/A	ement, Name and No.		
tb. Type of Well: Oil Well	Single Zone Multip	ple Zone	8. Lease Name and Well No. JF DAY D #1F			
2. Name of Operator XTO Energy, Inc.	piv Boile	9 API Well No. 3438 1				
3a. Address 2700 Farmington Ave, Bldg K - Suite 1 Farmington NM 87402		10. Field and Pool, or B BASIN DK/W	• •			
4. Location of Well (Report location clearly and in accordance with an At surface 1130' FSL x 1975' FEL At proposed prod. zone same	ny State requirements.*)		11. Sec., T. R. M. or BI (O) Sec 20, T28	•		
14 Distance in miles and direction from nearest town or post office. Approximately 6 miles Southeast of Bloomfield, NM post		12. County or Parish SAN JUAN	13. State NM			
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. urnt line, if any) 1130'	16. No. of acres in lease 600		ng Unit dedicated to this w			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft 198'	19. Proposed Depth		RCVD AUG 24'07 OIL CONS. DIV.			
21 Elevations (Show whether DF, KDB, RT, GL, etc.) 6071' Ground Elevation	22 Approximate date work will sta 09/01/2007	rt*	23. Estimated duration DIST. 3			
	24. Attachments					
The following, completed in accordance with the requirements of Onsho	re Oil and Gas Order No 1, must be a	ttached to th	is form:			
 Well plat certified by a registered surveyor. A Drilling Plan. 	Item 20 above).	•	ns unless covered by an	existing bond on file (see		
3. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office).			ormation and/or plans as	may be required by the		
25. Signature Kyla Vaughan	Name (Printed/Typed) Kyla Vaughan			Date 98/92/2007		
Title Regulatory Compliance						
Approved by (Signature)	Name (Printed/Typed)	<u>.</u>		Date 8/23/87		
Title AFM	Office TT	3				
Application approval does not warrant or certify that the applicant hole conduct operations thereon. Conditions of approval, if any, are attached.	ls legal or equitable title to those righ	ts in the sul	oject lease which would er	ntitle the applicant to		
Title 18 U.S.C Section 1001 and Title 43 U.S.C. Section 1212, make it a c States any false, fictitious or fraudulent statements or representations as	rime for any person knowingly and to any matter within its jurisdiction.	villfully to n	nake to any department by	aghed for		

*(Instructions on page 2)

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

NOTIFY AZTEC OCD 24 HRS. PRIOR TO CASING & CEMEN NMOCD

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





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

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

DrSTRICT is 1301 W. Grand Ave., Artesia, N.M. 88210

OIL CONSERVATION PHOSION AM 11 by to Appropriate District Office

1220 South St Froncis Dr

South So All 2000

1000 Rio Brozos Rd., Aztec, N.M. 87410

1220 South St. Francis Dr., Sonta Fe, NM 87505

DISTRICT IV

Sonto Fe. NM 87505 RECEIVED

Fee Leose - 3 Copies
RCUD AUG 24'07

AMENDED REPORT

070 FARMINGTON NM

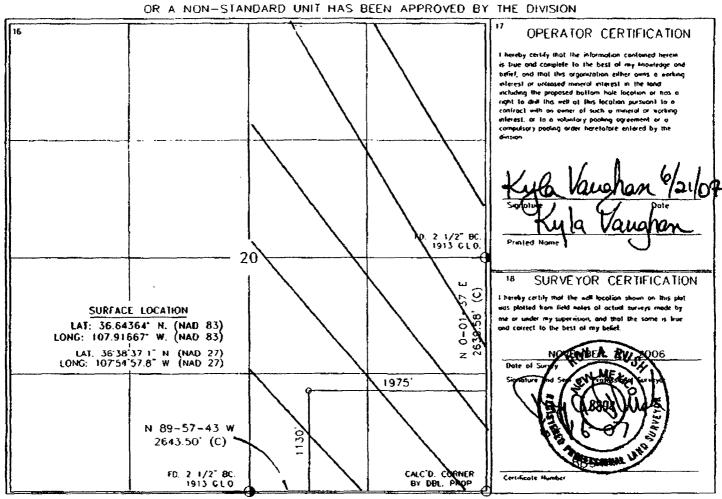
WELL LOCATION AND ACREAGE DEDICATION PLAT DIL CONS. DIV.

30.045.	3438171599	BASIN DAKOTA	DIST. 3				
Property Code		³ Property Name					
22688		JF DAY D	1F				
OCRID No.		Operator Name					
5380	отх	ENERGY INC.	6071				

10 Surface Location

t or lot no	Section	Township	Ronge	Lot kin	Feet from the	North/South line	feel from the	East/West line	County
0	20	28-N	10-W	om Hole	1130	SOUTH 1 Different Fr	1975 pm Surface	EAST	SAN JUA

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



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

Stole of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

DISTRICT H 1301 W Grand Ave., Artesia, N.M. 88210

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Sonto Fe, NM 87505

Submit to Appropriate District Office State Lease - 4 Copies

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

Fee Lease - 3 Copies

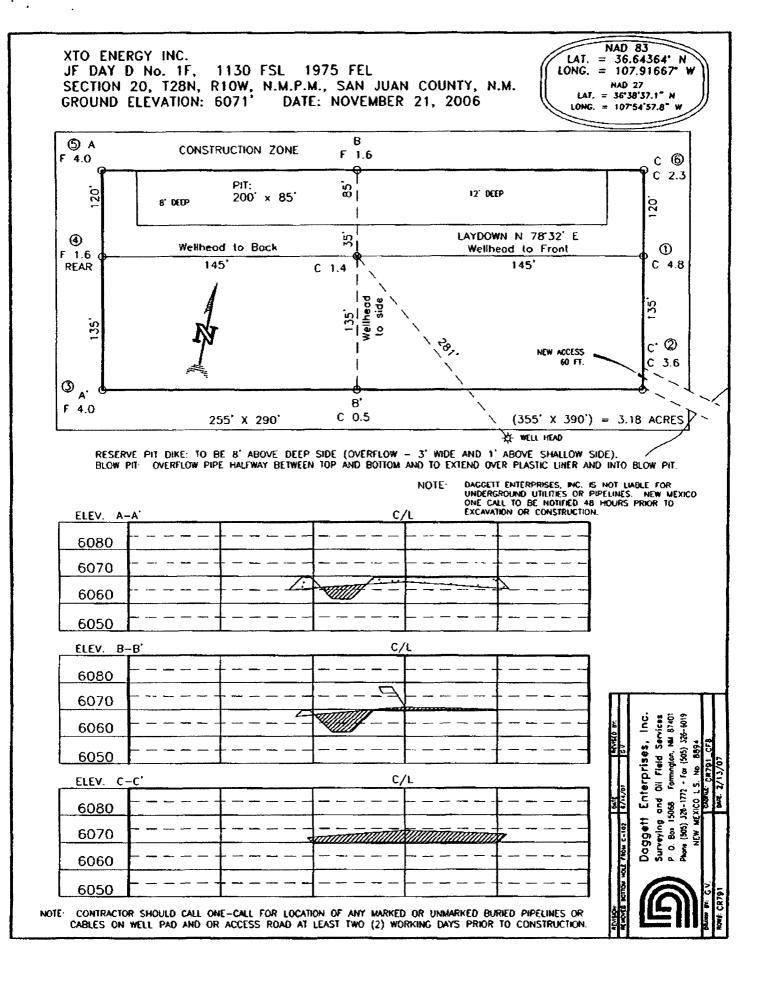
DISTRICT IV 1220 South St. Francis Dr., Sonta Fe, NM 87505

RCUD AUG 24'07

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Property Cod				<u> </u>	³ Property I					4 Number
					JF DAY					16
OCRID No	$\overline{}$				*Operator I					Elevation
2226				··	XIO ENERG					6071
					10 Surface		,		w.	
Ut or lot no	Section 20	Township 28 – N	Ronge 10-W	Lot Idn	Feet from the 1130	North/South line SOUTH	feel from the	Eost/Wes		County
L	1 20	20-14		m Hole				EAS		SAN JUAN
Ut or lat no	Section	Township	Ronge	Lot ton	Feet from the	If Different Fro	feel from the	Eost/Wes	t line	County
								1		County
* Dedicated Acres			33 Joint or In	fut	14 Consoledation C	ode	15 Order No			
1SE14	- 16	0								Ì
NO ALLOW		MILL BE A	ASSIGNEE	TO THI	S COMPLETI	ON UNTIL ALL	INTERESTS F	HAVE BE	EN CO	NSOLIDATED
<u> </u>		OR A N	ATZ-MON	NDARD	UNIT HAS B	EEN APPROVE	BY THE DI	VISION		
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LONG	107.54"	57.8" W (N	AD 27)				Onte of S		ME	4
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						\\		88	SEMEN!	
			1/2" BC 913 CLO.	1		CALC'D CORN BY DBL PRO	Certificate	Number		

Submit 3 Copies To Appropriate District Office Energy	State of New Mexico Minerals and Natural Resources	Form C-103 May 27, 2004
District I 1625 N. French Dr., Hobbs, NM 87240 District II 1301 W. Grand Am. Admin NM 88210	CONSERVATION DIVISION	WELL API NO. 30-045-34381
	1220 South St. Francis Dr.	5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410 District IV	Santa Fe, NM 87505	STATE FEE
1220 S. St. Francis Dr., Santa Fe, NM 87505		6. State Oil & Gas Lease No.
SUNDRY NOTICES AND I (DO NOT USE THIS FORM FOR PROPOSALS TO DESCRIPTION OF THE PROPOSAL OF T	ORILL OR TO DEEPEN OR PLUG BACK TO A	7. Lease Name or Unit Agreement Name: JF DAY D
PROPOSALS.) I. Type of Well:		8. Well Number
Oil Well Gas Well X Oth	er	#1F
2. Name of Operator		9. OGRID Number
XIO Energy Inc.		5380
3. Address of Operator		10. Pool name or Wildcat
2700 Farmington Ave., Bldg. K. Ste 4. Well Location	1 Farmington, NM 87401	BASIN DAKOTA/WC BASIN MC
	feet from the SOUTH line and	1975 feet from the EAST line
Section 20	Township 28N Range 10W	NMPM NMPM County SAN JUAN
	ation (Show whether DR, RKB, RT, GR, etc.	
1	6071' GROUND ELEVATION	
Pit or Below-grade Tank Application X or Closure		1
Pit type DRILL Depth to Groundwater >100 D	istance from nearest fresh water well <u>>1000</u> Dist	tance from nearest surface water >1000
Pit Liner Thickness: 12 mil Belo	w-Grade Tank: Volume 8000 bbls; Construction	n Material
NOTICE OF INTENTION PERFORM REMEDIAL WORK PLUG AI TEMPORARILY ABANDON CHANGE	REMEDIAL WORK E PLANS COMMENCE DRILLII	SEQUENT REPORT OF: ALTERING CASING
PULL OR ALTER CASING L.J MULTIP COMPLI	ETION CEMENT JOB	
OTHER: PIT	OTHER:	
 Describe proposed or completed operation of starting any proposed work). SEE RUL or recompletion. XTO Energy plans to install a line 	E 1103. For Multiple Completions: Attach	
I hereby certify that the information above is true grade tank has been/will be constructed or closed accord SIGNATURE	ing to NMOCD guidelines x , a general permit [or an (attached) alternative OCD-approved plan mpliance Tech DATE 08/02/2007
Type or print name Ryla Vaughan	_	a_vaughan@xtoenergy.com Telephone No. 505-564-6726
For State Use Only	Deputy Oil &	Gas Inspector,
APPROVED BY	TITLE Dist	rict #3 PAUG 2 9 2007
Conditions of Approval if any		

EXHIBIT D



XTO ENERGY INC.

J.F. Day D #1F **APD Data** August 2, 2007

Location: 1130' FSL x 1975' FEL Sec 20, T28N, R10W County: San Juan State: New Mexico

GREATEST PROJECTED TD: 7050' APPROX GR ELEV: 6071'

OBJECTIVE: Basin Dakota / Basin Mancos

Est KB ELEV: 6083' (12' AGL)

MUD PROGRAM:

INTERVAL	0' to 360'	360' to 2500'	2500' to 7050'
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:

8.625" casing to be set at \pm 360' in a 12.25" hole filled with 9.20 ppg mud Surface Casing:

_											<u> </u>		
I						Coll	Burst					_	
۱						Rating	Rating	Jt Str	ID	Drift	SF	SF	SF
	Interval	Length	Wt	Gr	Cplg	(psi)	(psi)	(M-lbs)	(in)	(in)	Coll	Burst	Ten
I													
ı	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 (± 7050 ') 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'-7050	7050'	15.5#	J-55	ST&C	4040	4810	202	4.950	4.825	1.20	1.43	1.85

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

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. <u>Production:</u> 5.5", 15.5#, J-55 (or K-55), ST&C casing to be set at ± 7050 ' in 7.875" hole. DV Tool set @ ± 4400 '

1st Stage

LEAD:

±241 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:

±341 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 1720 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 (7050') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (7050') to 400'.

EXHIBIT F

6. FORMATION TOPS:

Est. KB Elevation: 6083'

FORMATION	Sub-Sea	TVD	MD	FORMATION	TV Sub- Sea	TVD	MD
Ojo Alamo SS	5111	972	100	Gallup	472	5611	\
Kirtland Shale	4947	1136		Greenhorn	-298	6381	1 2 2 2
Farmington SS				Graneros	-362	6445	
Fruitland Formation	4478	1605	.,	Dakota 1*	-399	6482	1
Lower Fruitland Coal	4020	2063	X	Dakota 2*	-421	6504	1//
Pictured Cliffs SS		2087		Dakota 3*	-481	6564	1
Lewis Shale	3793	2290	7,2	Dakota 4*	-550	6633	1
Chacra SS	3020	3063	137	Dakota 5*	-582	6665	1. 5.75
Cliffhouse SS*	2418	3665	1 31	Dakota 6*	-609	6692	(, 2
Menefee**	2316	3767		Burro Canyon	-667	6750	
Point Lookout SS*	1686	4397		Morrison*	-710	6793	
Mancos Shale	1339	4744		TD	-816	6899	1 -64

^{*} Primary Objective

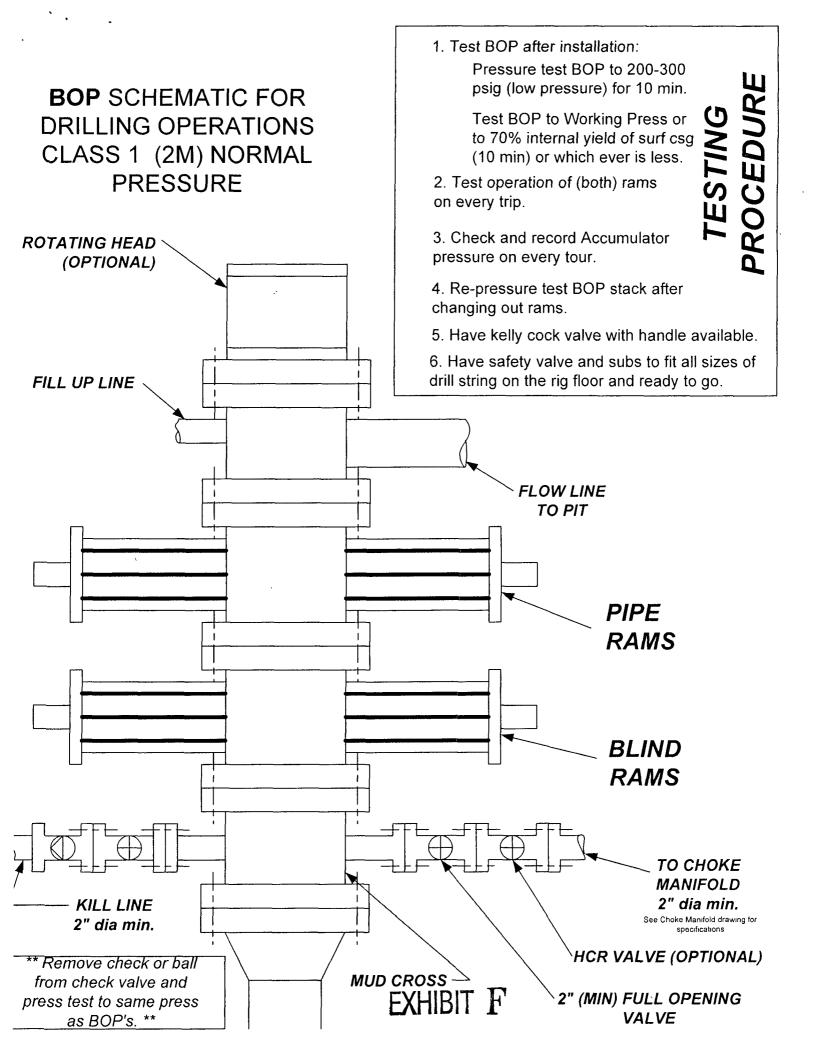
7. COMPANY PERSONNEL:

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 8/2/07

^{**} Secondary Objective

^{****} Maximum anticipated BHP should be <2,000 psig (<0.30 psi/ft) *****



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

